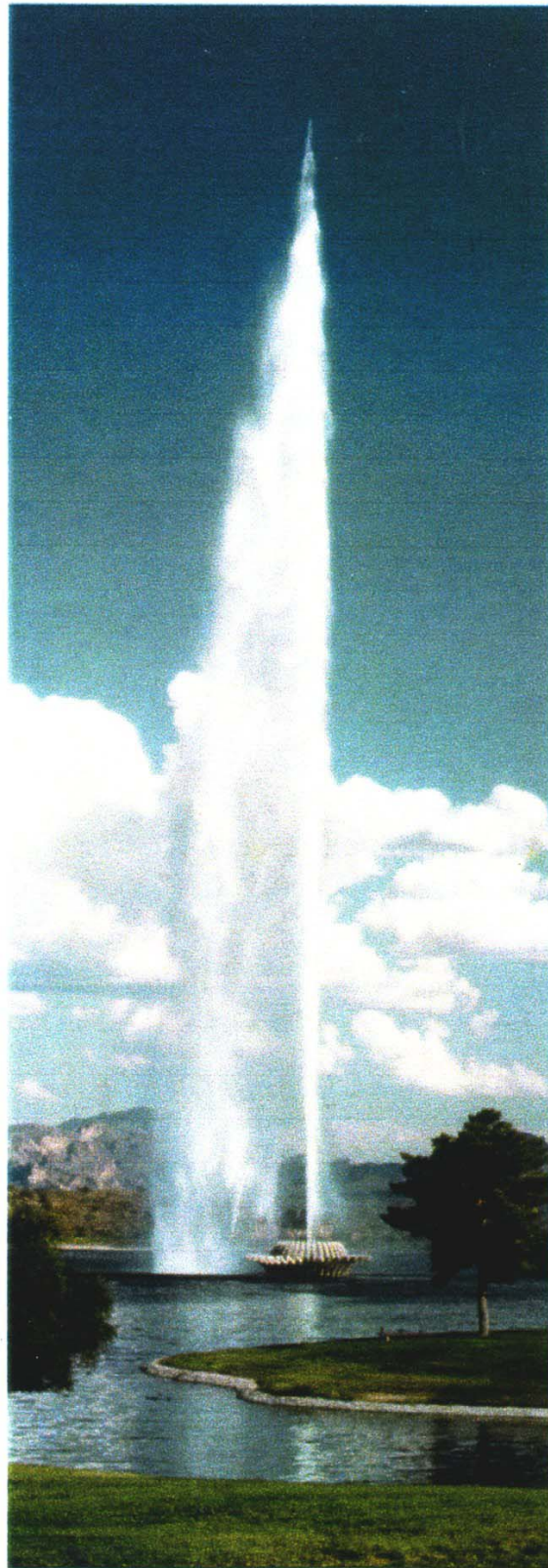


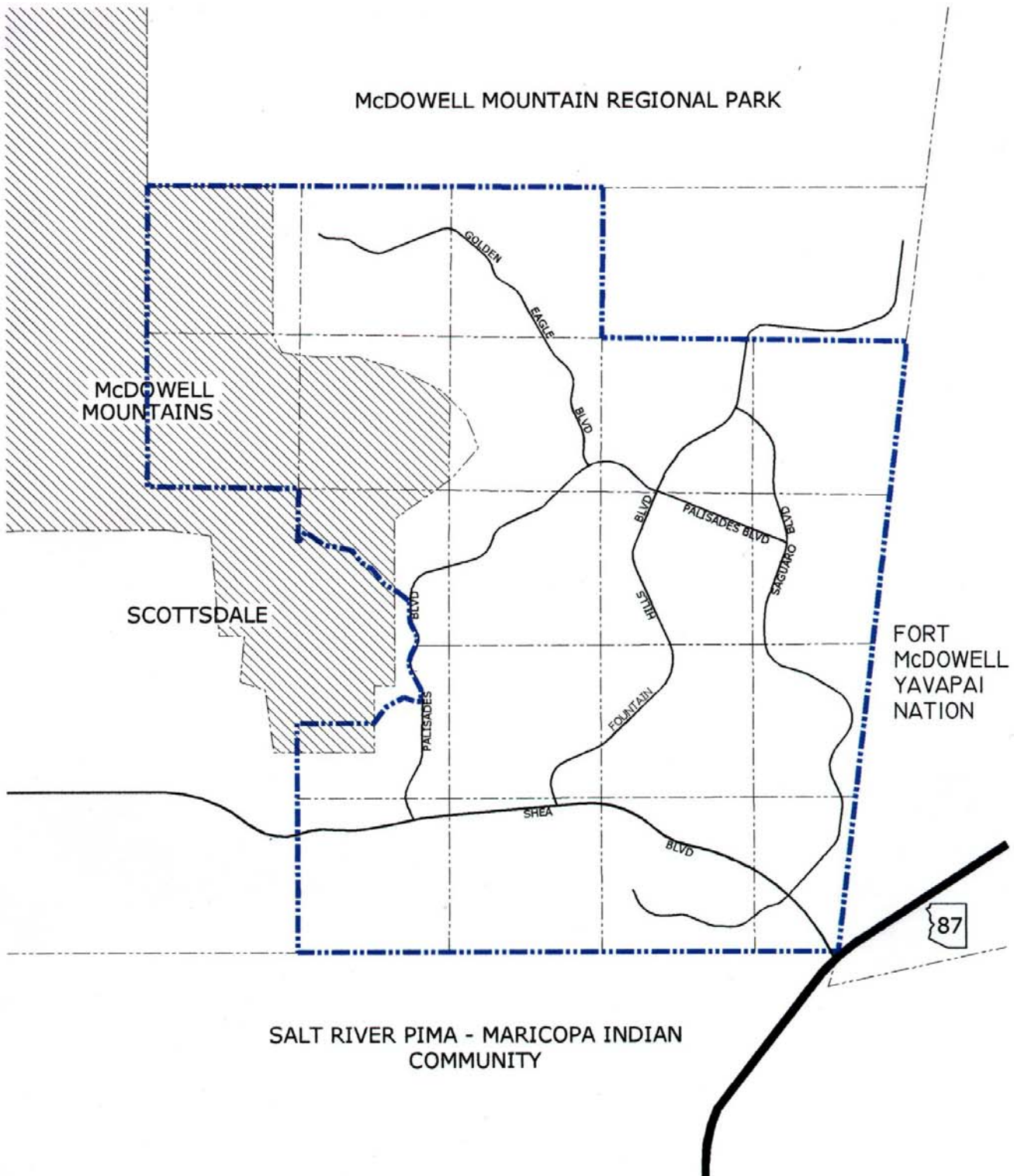


Town of Fountain Hills

Annual Budget

Fiscal Year
2002 - 2003





Town of Fountain Hills Location Map

RESOLUTION NO. 2002-31

**A RESOLUTION OF THE MAYOR AND COMMON COUNCIL
OF THE TOWN OF FOUNTAIN HILLS, ADOPTING THE
TENTATIVE BUDGET AS THE 2002-2003 FISCAL YEAR
BUDGET FOR THE TOWN OF FOUNTAIN HILLS.**

WHEREAS, in accordance with the provisions of Title 42, Chapter 17, Articles 1-5, Arizona Revised Statutes (A.R.S.), the Town Council of the Town of Fountain Hills did, on July 2, 2002, make an estimate of the different amounts required to meet the public expenditures and expenses for the ensuing year, also an estimate of revenues from sources other than direct taxation, and the amount to be raised by taxation upon real and personal property of the Town of \$1,206,350; and

WHEREAS, in accordance with said chapter of said title, and following due public notice, the Council met on August 1, 2002, at which meeting any taxpayer was privileged to appear and be heard in favor of or against any of the proposed expenditures and expenses or tax levies; and

WHEREAS, it appears that publication has been duly made as required by law, of said estimates together with a notice that the Town Council would meet on August 1, 2002, at the meeting place of the Council for the purpose of hearing taxpayers and making tax levies as set forth in said estimates; and

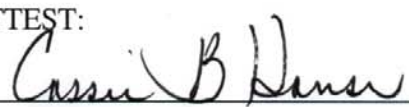
WHEREAS, it appears that the sums to be raised by taxation, as specified therein, do not in the aggregate exceed that amount as computed in A.R.S. § 42-17051(A);

NOW, THEREFORE, BE IT RESOLVED, that the said estimates of revenues, expenditures and expenses shown on the accompanying schedules as now increased, reduced or changed by and the same are hereby adopted as the budget of the Town of Fountain Hills for the fiscal year 2002-2003.

PASSED AND ADOPTED this 1st day of August, 2002, by the Mayor and Town Council of Fountain Hills.


Jon Beydler, Mayor

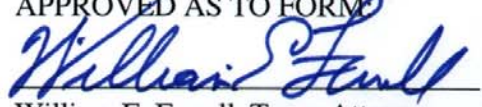
ATTEST:


Cassie B. Hansen, Director of Administration/Town Clerk

REVIEWED BY


Sintra Hoffman, Acting Town Manager

APPROVED AS TO FORM


William E. Farrell, Town Attorney



Fountain Hills Town Council

Mayor Jon Beydler

Jon Beydler was born in Springfield, Missouri, where he spent his first 22 years. After graduating Cum Laude from Evangel in Springfield in 1973, he moved to Washington, D.C. to attend the American University School of Public Affairs, where he obtained his Masters Degree in Public Administration specializing in Urban Affairs in 1975, graduating Magna Cum Laude. Jon began his professional career in Washington, D.C. in 1974 as a personal assistant to former Republican Michigan Governor George Romney at the National Center for Voluntary Action. As a result of the case studies he conducted in cities including Greenville, South Carolina; Dallas, Texas; and Riverside, California, Jon published a book entitled "*Community Needs Assessment and Goal Setting*". Jon also served as a Staff Director of the Federal Intergovernmental Committee on Volunteerism, and as the Director of Common Cause's Volunteer Services in their Washington, D.C. national headquarters.

In 1978, Kroy Industries, Inc., a graphics equipment manufacturer based in St. Paul, Minnesota, hired and promoted Jon as branch manager in Scottsdale, where Jon led the company in sales for two years. Three years later, Jon joined the sales team at Prime Computer, Inc., a manufacturer of super-minicomputers and CAD/CAM technology headquartered in Boston, and attained membership in the Million Dollar Club within a year. In 1983, the IMS Company, a division of Phoenix-based Castillo Company, hired Jon as President, where he grew the company into a multimillion-dollar business. Jon subsequently purchased the business and renamed it The Beydler Company, Inc.

In 1994, he formed CHERON USA, a reprographics/digital blueprint company in Phoenix, and sold it in January 2001. In 1999, the Beydlers opened a Gallery of Fine Art and Collectibles at the Plaza Fountainside in Fountain Hills called "Another Point of View". In 2002, the Beydlers acquired a ColdStone Creamery franchise also located at the Plaza Fountainside.

Jon has been active in community and government service for almost 30 years. Some of the organizations he has been involved with over the years are: Candidate for Phoenix City Council; Maricopa County Republican Precinct Committee; Lions Club; Proposition 300 Campaign Committee; Phoenix Womens' Commission; and the Phoenix East Bell Road Planning Committee. In Fountain Hills, Jon is a member of the Arts Council, Chamber of Commerce, Noon Kiwanis, Noon Rotary, Plaza Fountainside Merchants Association, and the Fountain Hills Leads Association Group.

Jon and his wife, Cheryl, and their daughters, Ashley Brook, 9, and Summer Sky, 3, presently reside in SunRidge Canyon.



Vice-Mayor Leesa Fraverd

A twelve-year resident of Fountain Hills, Vice Mayor Leesa Fraverd has been active in community service almost since the day she arrived here from her home state of Michigan. Ms. Fraverd, a cum laude graduate, received a B.A. degree in art education from Michigan State University. She taught art education in Charlotte and St. Joseph, Michigan. Leesa obtained a second degree after moving to Arizona, an A.A.S. in Environmental Drafting and Design. She is currently the President of Architectural Angles, a drafting and design firm specializing in custom home design in the northeast valley, since 1996.

Vice Mayor Fraverd was a former Fountain Hills environmental activist, advocating sensitive and sensible development. She was appointed to the position of Commissioner and Chair of the Fountain Hills Planning and Zoning Commission from 1995 to 2000. Ms. Fraverd is an active member of the Neighborhood Property Owners Committee of Architecture (since 1994) and the Fountain Hills Civic Association.

Councilmember Mike Archambault

Mike Archambault moved to Fountain Hills from Columbus, Ohio in 1972. He built one of the first homes in Fountain Hills and was among the first ten families to live here. Mike worked in Fountain Hills with his father for almost ten years under the company name of Archie's Construction. In 1981, he saw a need for quality cabinets in Fountain Hills and started Fountain Hills Wood Whims, Inc., a custom cabinet shop that currently employs fifteen craftsmen. Mike and his crew have been providing custom cabinets for Valley builders for more than 20 years.

Mike Archambault has been involved in community services since he moved here in 1972. He ran annual "Secret Santa" programs, bringing toys to children and helping with food donations for needy families, served as a Cub Scout and Boy Scout leader, and a Leader for Order of the Arrow, graduating fourteen Eagle Scouts. Mike also helped with the drive to bring the first health clinic to Fountain Hills in 1977. He served on the Church of the Ascension Committee, and with the help of volunteers, Mike built the Church's rectory. He also helped construct the original town library (now the Fountain Hills Theatre) with the Contractors Association, and assisted in building the Sunset Kiwanis clubhouse. He also served the community as President of the Fountain Hills Youth Association, and as a member of the Sunset Kiwanis.

Mike has been married to Charla for 27 years. The Archambaults have two children, Michelle, 24, and Eric, 21.



Councilmember John Kavanagh

John Kavanagh is a seven year resident of Fountain Hills who is married to Linda and has two sons, Jonathan and Nicholas. He is a professor of criminal justice at Scottsdale Community College and Director of the college's Administration of Justice Studies Program. Prior to teaching at Scottsdale Community College, John taught at Arizona State University and spent 20 years as a police officer with the Port Authority of New York and New Jersey Police, retiring as a detective sergeant. He also served three years as a town council member in Lafayette, New Jersey.

John Kavanagh has a B.A. in Sociology from NYU, an M.A. in Public Administration from St. John's University (Queens, New York), and a Ph.D. in Criminal Justice from Rutgers University. He also belongs to professional associations, such as the American Society of Criminology and the Arizona Criminal Justice Educators Association.

John Kavanagh is serving or has served with the following town groups: Parks and Recreation Commission, Community Center Advisory Committee, Vision 2000 Planning Committee, School Board Calendar Committee, Youth Basketball League, Veterans Memorial Sitting Committee, and the Knights of Columbus.

Councilmember Kathleen Nicola

A long-time Arizona resident, Kathleen Connelly Nicola moved to Lake Havasu City in June 1967. After a move to Mesa in 1985, Kathleen and her family settled in Fountain Hills in 1989. She is married to John Nicola. Kathleen's daughter Tonya, son-in-law Jim, and grandson Matthew reside in Chandler.

Kathleen's service to the Town of Fountain Hills began in 1990, when she began working for the municipal court, after a brief period of volunteering her services. During her tenure as administrator of the court over the following nine years, Kathleen's extensive duties included budget preparation and day-to-day management of the court. Kathleen's responsibilities included the court's compliance with local, county and state statutes, rules and administrative orders, in addition to statistical and financial reports.

Kathleen received a bachelor's degree in Justice Studies from the College of Public Programs at Arizona State University. Kathleen graduated from the Arizona School of Real Estate & Business, and made a career change in the summer of 2000 to become a licensed real estate salesperson. Her license currently hangs with Dominion Real Estate Partners, LLC in Fountain Hills. Education and high levels of training are valued life achievements; therefore she continued her education to earn the Graduate of the Realtors Institute designation and is an Accredited Buyer Representative.

As a local real estate professional, Kathleen is an active member of the Fountain Hills Chamber of Commerce and the Scottsdale Association of Realtors. Other professional memberships she holds are with the Arizona Association of Realtors, National Association of Realtors, and the Real Estate Buyers Advisory Council. Local memberships include the McDowell Mountain Park Association, the Fountain Hills Arts Council, and the Fountain Hills Democrat Club.



Councilmember Rick Melendez

Enrique (Rick) Melendez and his wife, Pam (an Arizona native) moved from California to the Fountain Hills area nine years ago. He has a son, daughter, and grandchildren who reside in California. Rick was born in El Salvador and came to the U. S. for his education. He is the only member of his family who decided to stay in our country, although he continues to represent his family's business interests in Central America.

Rick's professional business background for 35 years in the petroleum industry covered many assignments including marketing, human resources, advertising, and public affairs. He served in many areas of senior management. His last assignment with Atlantic Richfield Company was Regional Manager for Public Affairs in the Western Region of the U. S. During this time, he was a member of the negotiating team that established the Arco Arena, home of the NBA Sacramento Kings.

In 1982, Rick was honored at the White House by President Reagan and received an award as one of the top 20 Hispanics in the country. In 1983, California State Senate President Pro Tempore, David Roberti, appointed Mr. Melendez to the World Trade Commission. During the next 12 years, Rick served on this commission and was instrumental in the development of World Trade Offices in Tokyo, Hong Kong, Mexico City, Frankfurt, and London.

Those years brought him invaluable practical and business experience, which he later used to open his own consulting company following early retirement from Atlantic Richfield Company. His company included clients such as ARCO, General Dynamics, The Port of Long Beach, California Steel, E&J Gallo Winery, California Wine Institute, Sacramento Kings, Seventh Day Adventist Church, California Judges Association, SOKA University, and many others. His firm specialized in developing business opportunities in the areas of environmental technology, marketing, distribution of products, and government interface on behalf of clients.

Rick also served on the Executive Committee of the California Manufacturers Association, the Multiple Sclerosis Association Board, California Chamber of Commerce, Sacramento Blood Drive, Sacramento Opera, and the Hispanic Chamber of Commerce. His Arizona community service includes membership in the Maricopa County Jail Committee, Fountain Hills Charter City Committee, Fountain Hills Law Enforcement Advisory Panel, Fountain Hills FAA Committee, and an active member of the Scottsdale Police Department's Chief Advisory Council.

Rick attended Loyola High School in Los Angeles and holds a B.S. in Foreign Trade from the University of San Francisco and also earned certificates during his oil business career in Professional Management sponsored by Stanford University and the Petroleum Educational Institute. Rick looks forward to serving the Fountain Hills community and continuing to improve the quality of life for its residents.



Councilmember Susan Ralphe

Council member Susan Ralphe is a Milwaukee, Wisconsin, native who grew up in Norway in Michigan's Upper Peninsula. An alumnus of Northern Michigan University in Marquette, Michigan, she graduated summa cum laude in 1968 with a B.S. degree in business education. She and Roger, her husband of more than 30 years, have lived in Fountain Hills since 1993 and in Arizona since 1978. They have two grown sons - Jason, Reno, Nevada, and Matt, Portland, Oregon.

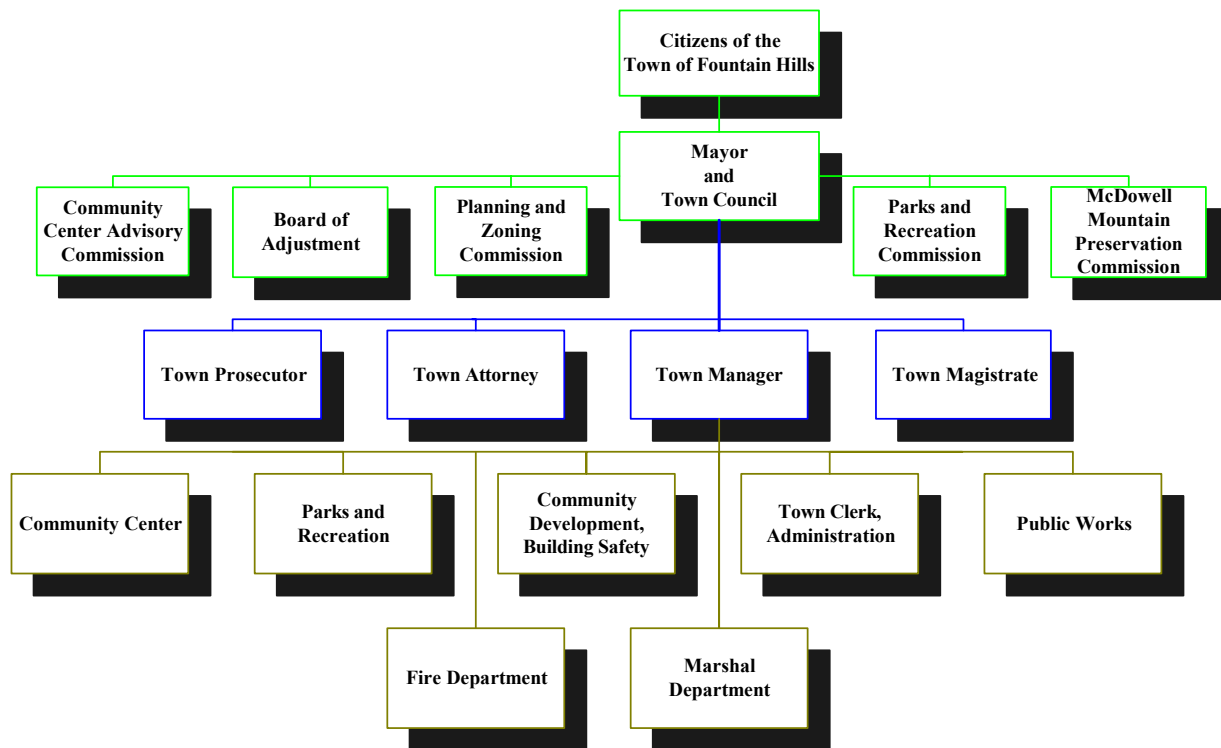
A journalist, Ralphe covered government and consumer affairs for 15 years as a newspaper reporter for large dailies - The Phoenix Gazette, Phoenix, Arizona, and The Duluth Herald, Duluth, Minnesota -- and a weekly, the Hastings Star, in the Minneapolis-St. Paul, MN. area. She is the recipient of First-Place Investigative Reporting awards for three consecutive years in statewide Minnesota Newspaper Association contests. As a freelance writer, her articles have appeared in national magazines.

In 1994 Ralphe founded the Fountain Hills grassroots citizen group, the Committee to Preserve the Environment (CPE), and chaired it for two years. Today more than 400 acres of town-owned washes remain under the protection of the Watercourse Preservation and Habitat Ordinance, a CPE-sponsored initiative approved by voters in 1996.

In the spring of 1999 she founded another local volunteer citizen group-- Save the Mountains (STM), a coalition of organizations and individuals active in McDowell Mountain preservation and wise mountain land-use. She stepped down as President after being elected to the Council. Ralphe is a member of the McDowell Park Association (MPA) and for several years has been making weekly visits to residents of a nearby nursing home.



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Management Staff

Roy P. Pederson, Acting Town Manager

Department Heads

Jesse Drake, Interim Community Development Director
Cassie Hansen, Town Clerk/Director of Administration
Mark Mayer, Director of Parks and Recreation
Stuart Shoob, Town Magistrate
Todd Tate, Interim Public Safety Director
Thomas Ward, Director of Public Works
James Willers, Community Center Director
Mark Zimmerman, Assistant Fire Chief/Fire Marshal



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Manager's Message _____

To the Honorable Mayor and Town Council:

The budget for fiscal year 2002-2003 for the Town of Fountain Hills was submitted to the Town Council for consideration in early June. The failure of Proposition 401 on May 21, 2002, required the Town to assume the \$2.4 million cost of providing fire protection and emergency medical services without offsetting revenue. This is the central and overriding issue for this budget. Staff's efforts have been focused on presenting the Council with a balanced budget. The Council had minor, as well as major issues, to address during the review process.

It is particularly important this year to fully understand that municipalities are funded quite differently than private enterprise. Municipal finance is characterized by "fund budgeting" and "fund accounting". This means that some monies available to the Town are restricted and can only be used for specified purposes. Some of these purposes, such as the use of gas tax revenues, are set forth in State statute. Some revenues, such as the .04 % sales tax reserved for land preservation and downtown development, are limited by policy of the Town Council. Other revenues, such as development fees, are limited by a combination of Town Council policy and State statute. There are also demands made upon Town revenues that are not discretionary such as certain bond indentures that require payment. Therefore, while some funds in the budget might appear to be quite "healthy", the general fund that is responsible for many necessary Town expenditures, can be quite "unhealthy". This is demonstrated in this budget.

The final budget maintains most basic services, but some at reduced levels. It is important to note that the general fund as presented includes approximately \$1 million in a one-time transfer from the County as a result of the Fire District/Town merger, and \$1 million from the anticipated settlement of the Pacific Gas & Electric litigation. These are both **one-time revenues** that will not be available to finance the 2003-2004 budget.

The final budget reflects an anticipated decrease in "normal" general fund revenues for the coming fiscal year due to the overall economic slowdown and the decline in the number of building and construction permits. The failure to transfer the Fire District tax authority to the Town has turned an already pessimistic outlook into a critical one. At this point in time, the Town's financial situation is in "intensive care" and Fountain Hills cannot remain viable as a municipality unless something is done to finance the budget for fiscal years 2003-2004 and beyond.

It was suggested that the Council consider some appropriate program to raise the level of public understanding of the Town's fiscal condition. This could be through the creation of a broadly based citizens' committee to develop an understanding of Town finances and to make recommendations for the future. This future could include placing a property tax question back on the ballot for reconsideration next May, transitioning the Rural Metro fire protection service into subscription service as is done in Paradise Valley, or some other alternative that the citizens' group might identify. In any case, the future of the Town is at stake unless a serious and deliberate approach is taken by the Council to deal with the budgetary issues.



This budget also reflects important changes in format. They are intended to strengthen the budget as a policy statement and communication device, to be more meaningful as a financial plan, and to be more useful as an operational guide. Staff also plans to make the budget document available on the Town's website to be more readily accessible to citizens. These changes have made the budget easier to use and understand by both the Council and the citizens. It will also enable the Town to compete for the national award in budget presentation in a program sponsored by the Government Finance Officers Association.

Many staff members throughout the organization have assisted in the preparation of this document. The hard work, perseverance, and commitment of the administrative staff are particularly appreciated.

Respectfully submitted,

Roy R. Pederson, Acting Town Manager
Town of Fountain Hills, Arizona



Budget Process

Introduction _____

The budget process for the Town of Fountain Hills is designed to meet citizens' needs for information and input; decision makers' needs for information and advice from citizens on their desired blend of services; and the time line set by the State of Arizona through Arizona Budget Law.

The information in this section is intended to help the Town Council, citizens, and staff better understand the budget process. The question and answer format is designed to assist the reader in finding information.

When does the “budget season” start? _____

The budget process typically begins in January when the Finance Department begins to review current levels of service, council goals and objectives, proposed capital improvements, and financial plans.

In reality, the budget process for the Town is actually an ongoing process. Throughout the fiscal year, citizens and staff submit suggestions for new services, regulations, funding sources, and improved service delivery, as well as concerns to the Town Council and commissions for discussion, study, and/or implementation. Advisory boards and commissions develop plans for new or enhanced programs to be included in the following year's budget proposal.

What is a budget? _____

Simply stated, a budget is an annual planning tool. It identifies the Town's work plan and matches the financial, material, and human resources available with the requirements to complete the work plan. It includes information about the organization and identifies the council policy that directed the budget preparation. Although a budget is often discussed as a financial document, the financial portion means very little without the policy and administrative information that explains what the organization intends to do with the financial resources.

What is a fund-based budget? _____

The Town's accounts are organized on the basis of funds. Each fund is a separate entity with its own set of self-balancing accounts comprised of its assets, liabilities, fund equity, revenues and expenditures.



How can I find out what a department is doing? _____

Departments are organizational units formed on the basis of compatible services. Departments provide services based on departmental goals and objectives that fulfill work plans. In some cases, a department will work within several funds. Although each of the operations in these funds is different, they are similar enough that savings can be achieved by having people who can share job responsibilities.

Each department prepares a budget that includes information about the organizational unit and matches the available resources with the requirements to complete the department and fund work plans.

Why does a town create a budget? _____

All cities and towns in Arizona are required to adopt an annual budget. State law dictates that fiscal years begin on July 1 and end on June 30. Certain parts of the budget document such as summaries of revenues and expenditures showing two years of spending history are required by State law.

When can a citizen have input into the budget process? _____

Town staff welcomes comments and suggestions throughout the year. The final opportunity occurs in July when the Town Council holds a public hearing on the proposed budget as recommended through the budget hearings. This is the last opportunity a citizen has to influence the budget process for the next fiscal year. Once the tentative budget is adopted in July, line items can only be decreased prior to the budget's final adoption in August.

Many revenue estimates must be made based on assumptions regarding general economic conditions. For example, development related revenues (building permits, system development charges, and requests for new water service connections) are all based on assumptions regarding development forecasts for Fountain Hills during the coming year. Revenue estimates are conservative to avoid setting expenditure budgets that will not be supported by actual revenues.

Can the budget be amended once it is adopted? _____

During the fiscal year, the Town Manager may transfer appropriations between line items within a department.



What basis of accounting/budgeting does the Town use? _____

Governmental fund budgets (General, Special Revenue, Debt Service, Capital Projects) are prepared on a modified accrual basis. This means that expenditures are recorded when the related fund liability is incurred, and revenues are recognized only when they are measurable and available. In all cases, when goods and services are not received by year-end, the encumbrances lapse.

The Comprehensive Annual Financial Report (CAFR) shows the status of the Town's finances on the basis of "generally accepted accounting principles" (GAAP). In most cases, this conforms to the way the Town prepares its budget. The exceptions are liabilities for compensated absences, i.e. vacation pay, which are expected to be paid with available financial resources. The liability is reported as accrued by employees (GAAP) as opposed to being expended when paid (Budget).

The Comprehensive Annual Financial Report shows fund expenditures and revenues on both a GAAP basis and Budget basis for comparison purposes.

How do I get more information? _____

All requests for public information in the Town of Fountain Hills are handled by the Town Clerk's Office. Please call (480) 837-2003 or visit the Town's website www.fh.az.gov and click on the Accounting Department icon.



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Budget Schedule (Fiscal Year 2002-2003)

Date_____	Action_____
Feb. 11 – March 1	Department heads review their six-month budget report, and estimate remaining expenditures for second-half of fiscal year. A revised estimate of total expenditures for the year is submitted to the accounting department.
February 21	Council meets and discusses budget priorities.
March 1 – March 15	Revised revenue projections for fiscal year 2001-2002, department revised estimates of expenditures, estimated carry-forward to be included in the fiscal year 2002-2003 budget.
March 15 – April 29	Department heads work on individual department budgets. Budgets are zero-based. The preliminary budget presentation should be based on maintaining a current level of service; additional programs/projects will be prioritized and added depending on available revenues. Revenue projections for fiscal year 2002-2003 are prepared.
April 29 – May 22	Town Manager reviews proposed fiscal year 2002-2003 budget with accounting, reviewing available revenues, expenditure limitation restrictions, determining desired carry-forward; meets with department heads to review requests.
June 14	Budget document submitted to Council for review.
June 24 - June 25	Public Council budget meetings.
July 2	Special Council meeting to adopt the tentative budget. This meeting replaces the regular meeting that falls on the Fourth of July holiday.
July 18	Regular council meeting cancelled (this has become an annual practice.)
August 1	Regular council meeting – Adopt final budget.
August 15	Regular Council meeting – Adopt tax levy.



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Budget Summary

The Town budget for fiscal year 2002-2003 is \$26,655,034 and represents a 30% decrease from last year. This decrease is primarily attributed to the completion of two capital projects, the construction of the Fountain Hills Community Center Complex, including the Library/Museum and Community Center, and the purchase of 354 acres of open space in the McDowell Mountains. These projects represent historical decisions made by the Mayor, Town Council and the community.

The proposed General Fund budget is \$15,077,612, a 12% decrease compared to \$17,228,342 last year. The decrease in revenues is primarily due to the decline in building permit activity and related revenues and the decrease in the Carry Forward. The failure of the voters to approve the \$2.4 million primary property tax has required that the budget be balanced using approximately \$2.2 million of reserves and one time transfers and recoveries. The one time transfers and recoveries will not be available next fiscal year. Due to limited resources and the desire to maintain a minimal fund balance, all non-essential and/or capital project requests have been removed from the budget. Current service levels for public safety, administration of Town government, and maintenance of Town owned property are included in the operating budget.

Revenues

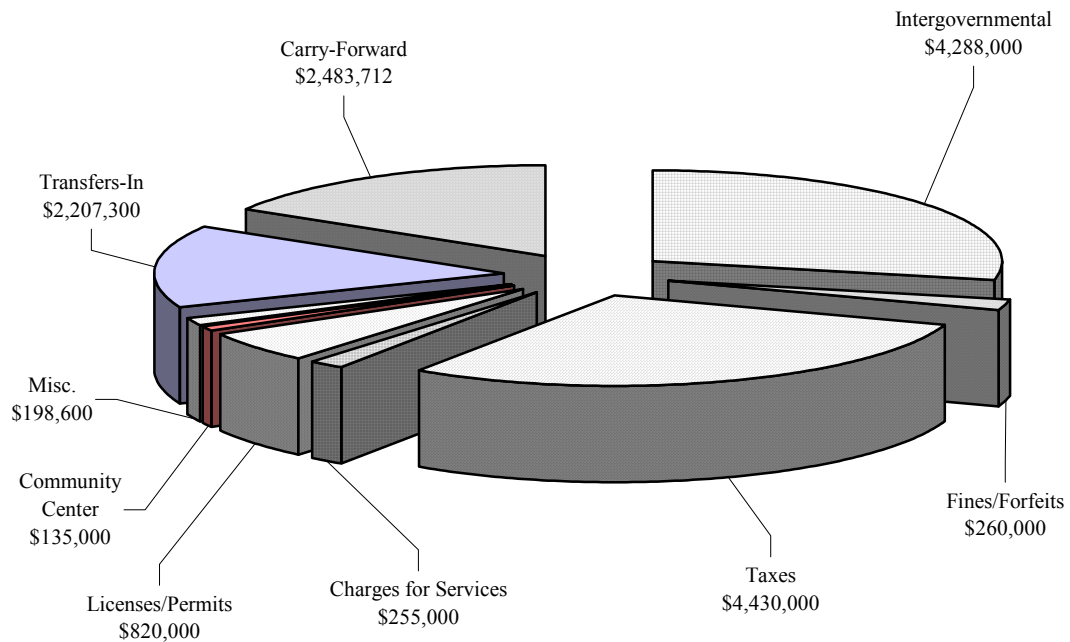
General Fund

Fountain Hills' largest, locally generated revenue is local sales tax (estimated at \$4,300,000). The Town receives 1.6 percent on all retail sales within Fountain Hills. Tax is allocated at 1.2% for General Fund use, .1% for Downtown Development and .3% for Land Preservation. (The dedicated sales tax is discussed further in the Excise Tax Special Revenue Fund.) Historically, a major component of local sales tax revenues has been due to construction related activity. However, over the last year, the construction activity in Fountain Hills has shown signs of decline while the retail sales activity appears to be strengthening. The sales tax projection for fiscal year 2002-2003 is based on conservative economic forecasts and limited revenue growth. Retail sales tax activity includes moderate estimates for the Fry's grocery and Target shopping center (scheduled to open in October 2002). The projection for construction related sales tax is based on conservative permit activity estimates provided by Community Development.

A major portion (41%) of General Fund revenue is derived from State Shared Revenues. The State of Arizona shares a portion of its sales, income and motor vehicle taxes with cities and towns based on a set of population formulas established by state law. Estimates for these revenues are annually provided by the state. The total projected revenues of \$4,288,000 are conservative estimates and are expected to decrease slightly from the prior year revised estimate.



GENERAL FUND RESOURCES TOTAL \$15,077,612



Licenses and permit revenues, specifically building permit fees, are related to the construction market and expected to decline significantly in fiscal year 2002-2003. During the 2001-2002 budget preparation, the Town projected \$1,600,000 in building permit revenue; however, a revised estimate of \$1,000,000 is anticipated. For the next fiscal year the Town expects a continuation of the downward trend and projects only \$700,000 in permit revenue. The Building Safety Department estimates that only 150 single-family units will be constructed next year compared to an estimated 227 during fiscal year 2001-2002.

The General Fund Carry-Forward is estimated to be \$2,483,712 and is included as available resources for next year. There are also one-time transfers totaling \$2,207,300 that are expected to be available during the upcoming year. The first transfer totaling \$1,070,000 is from the former Fountain Hills Fire District account that will be transferred to the Town after July 1, 2002. The Town also expects to recover the \$2.1 million PG&E commercial paper investment that defaulted in January 2000. Approximately \$1.0 million of those recovered funds will be used to reimburse the General Fund for expenditures made to complete the Community Center project.



Special Revenue Fund

In addition to the General Fund, Fountain Hills maintains several other funds that are established for specific purposes. The Special Revenue Fund includes the Highway Users Revenue Fund (HURF). These resources are restricted to street and highway purposes including: cost of right-of-way acquisition, construction, reconstruction, maintenance, repair, roadside development of Town roads, and payment of the interest and principal on highway and street bonds. Another HURF revenue source is the Local Transportation Assistance Fund (LTAF), which is generated by the State lottery. Statute allows that 10% of the proceeds may be used for cultural, educational, historical, recreational or scientific facilities or programs if the state receives a maximum distribution of \$23 million. The HURF fund also includes In Lieu Payments, which are fees that a developer or utility pays the Town for reconstructing streets that were cut during a construction or repair project.

A new category within the Special Revenue Fund is the Excise Tax Special Revenue. When the Council increased the sales tax rate, they dedicated .1% for Downtown Development and .3% for Land Preservation. At the end of fiscal year 2001-2002 the designated portion of the sales tax will be transferred from the General Fund in the amount of \$1,400,000 for land preservation and \$475,000 for downtown development. These transfers provide the revenue for these funds and do not reflect the proposed expenditures from these two funds discussed under Expenditures.

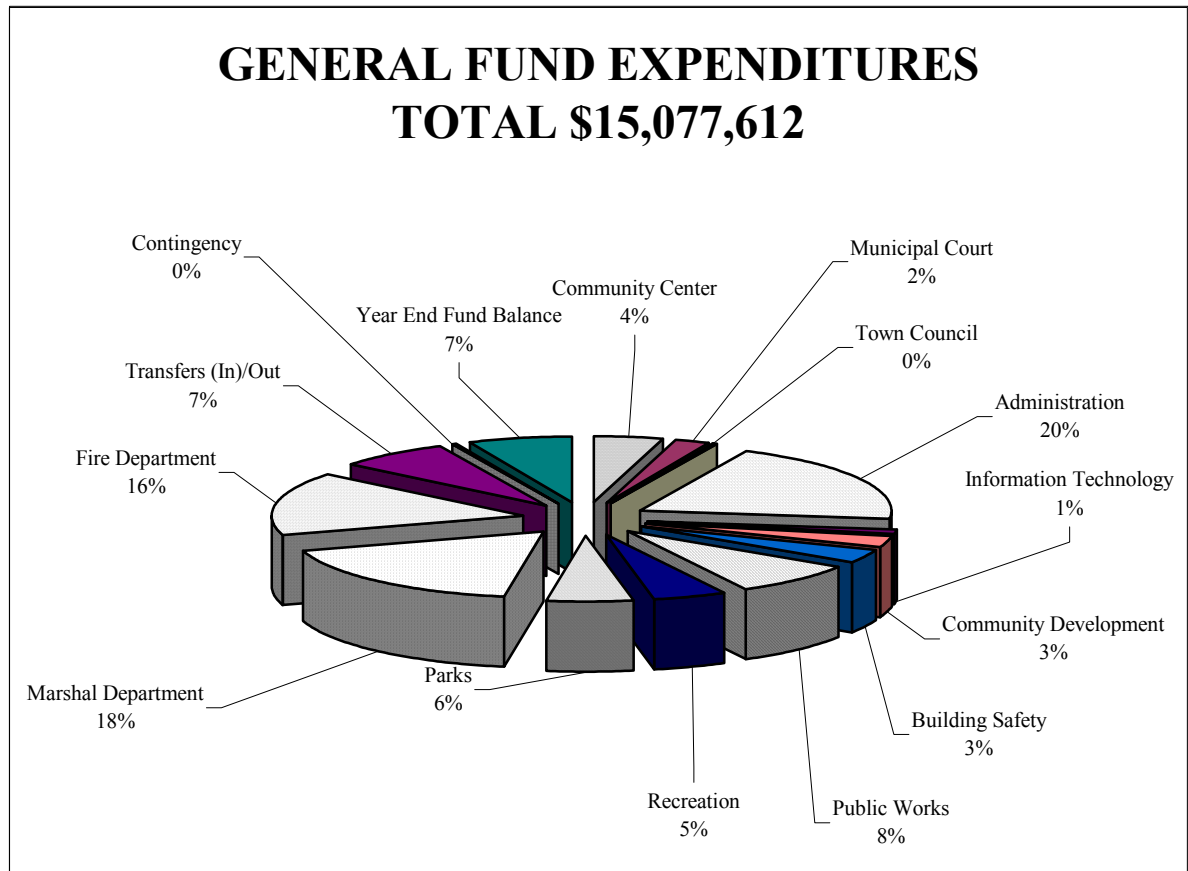
Grants are used whenever possible to supplement the Town's General Fund and are designated for the specific purchases for which they are awarded. All grant fund expenditures proposed for fiscal year 2002-2003 will be covered by grant revenue except for the U.S. Department of Justice for Community Oriented Policing (COPS). When these federal grants are awarded, the OJP agrees to subsidize the costs for COPS officer(s) for a period of three years. At the end of three years the officers are retained and fully funded by the Town. The COPS grant program included in this grant (COPS V) will expire April 30, 2003, at which time all COPS officers are retained and funded by the Town general fund.

Debt service funds provide for the payment of principal and interest on the Town's outstanding debt. Total debt service payments for fiscal year 2002-2003 are \$2,929,929 including General Obligation Bonds, HURF, and Improvement Districts. General Obligation debt is approved by the voters and retired through a secondary property tax. The property tax rate that property owners are assessed is determined by dividing the GO debt payments by the total secondary assessed valuation for Fountain Hills. The Maricopa County 2002 assessed valuation for Fountain Hills is \$270,602,866 (a 13% increase over 2001). The estimated tax rate for 2002 is expected to decrease from \$0.5605 to \$0.4458.

Other debt service payments not paid with a property tax include HURF debt which is paid through receipts from the Highway Users Revenue Fund. The Municipal Property Corporation (MPC) issues including the Community Center and Land Preservation bonds are repaid through a portion of the Local Sales Tax proceeds. The Cottonwoods Improvement District and Eagle Mountain Community are Special Districts that are levied by the County through the secondary property tax.



Expenditures



General Fund

The General Fund expenditures for fiscal year 2002-2003 are \$14,072,819 including the transfer to the Excise Tax Special Revenue Fund and a \$50,000 contingency. The Fund Balance at the end of fiscal year 2002-2003 is estimated to be \$1,004,800. The budget assumes that most vacant staff positions will not be filled (with the exception of the Town Manager), levels of service will be maintained and requests for capital purchases will be postponed. Staff also used a zero-based approach to the operating budget, which resulted in overall reductions in most department budgets.

The General Fund budget reflects two organizational changes that occurred in fiscal year 2001-2002. The most significant change was the formation of a Fountain Hills Municipal Fire Department. Prior to 2001-2002 the fire protection and emergency medical services were provided by the Fountain Hills Volunteer Fire District and funded through secondary property taxes. The proposed budget provides for municipal fire protection and emergency medical services and includes a budget of \$2,361,270. The major portion of this budget is for the annual contract with Rural Metro Corporation (\$2,275,700). The second organizational change was the consolidation of the Engineering and Public Works Departments. The two departments were



combined into one called Public Works that is responsible for all engineering and public work related activities, including staff.

Compensation and Benefits

Except for the Street Department, the salaries and benefits of all Town employees are funded through the General Fund. The Street Department is funded through the Highway User Revenue Fund. Salaries include wages, overtime, vacation pay and merit. Benefits include health insurance, employer taxes, disability and retirement contributions. The total salaries and benefits proposed for fiscal year 2002-2003 is \$5,017,734, a 12% increase over last year's budget. One new position, specified as undesignated, was added to the Administration Department at the request of the Council.

The Town underwent a compensation and classification study in fiscal year 2001-2002. The study was presented to the Council and resulted in adjustments to the pay ranges for most employees. However, due to budget limitations, the recommendation for employee merit raises has been reduced from 4.5% to 2%.

The Town is also dealing with the increased cost of medical insurance for its employees. The costs continue to escalate, causing the Town and the employees to pay more for health coverage. The approximate 69% increase in premiums last fiscal year prompted the Town to solicit bids from other health care providers. Unfortunately, no other providers were willing to submit bids to Fountain Hills. Through negotiations with the current provider the Town was offered assurance that the next increase scheduled for January 2003 would take into consideration the previous increase. A provision has been included in the budget for a 10% increase. Town staff will be exploring other alternatives to keep the cost to the Town as low as possible.

Contractual Services

The Town contracts with outside professionals for recreational programs, police protection (Maricopa County Sheriffs Office at \$1,509,700), consulting/legal fees, auditing services, engineering/inspection fees and contributions to special programs. The new municipal Fire Department includes a contract with Rural Metro Corporation for fire protection and emergency medical services (\$2,275,700). Excluding the Fire Department expenditure, contractual services would reflect an overall decrease, primarily in the area of outside design, engineering and inspection fees.

Repairs and Maintenance

Repairs and maintenance includes the annual landscape maintenance contracts, equipment and vehicle repairs, facilities maintenance (custodial, building maintenance, etc.). Per the Council request to submit a "bare bones" budget, this category has been reduced to the minimum required to safely maintain Town-owned facilities and equipment. Maintenance of the Town's 121 acres of parks, as well as medians, dams and washes is solicited through a bid process to obtain the most competitive price for the Town.



Supplies and Services

Supplies and services include operational costs such as rent, electricity, utilities, insurance, etc. for Town Hall and other Town owned buildings (Kiwanis, Library/Museum, fire stations, etc.). Rent (\$620,300), electricity (\$442,000) and insurance (\$194,000) make up the largest portion of supplies and services. Other items in this category are office supplies, gas and oil, postage, travel and communications.

Capital Outlay

The only capital items included in the budget for next fiscal year are allocations for the new Community Center and the Marshals Department. The Fountain Hills Civic Association has been very successful in raising approximately \$120,000 in contributions that can be used in the next fiscal year specifically for furniture, fixtures and equipment for the facility. The Marshals Department was granted the purchase of portable radios that will be compatible with the Maricopa County Sheriff's Office and allow direct communication between the two agencies.

Transfers

In prior years the Town's General Fund has allocated a portion of its revenues to the Highway Users Revenue Fund to help offset the costs of maintaining the community roads. However, a General Fund transfer is not being proposed this fiscal year. A transfer will be required to move the dedicated land preservation (.3%) and downtown development (.1%) portion of the local sales tax receipts to the Excise Tax Special Revenue Fund. The Council may allocate these funds according to the provisions set forth in Ordinance 00-12. A copy of the ordinance is included in the appendices.

Reserves

A \$50,000 contingency has been included for undesignated items that the Council may wish to fund throughout the year.



Special Revenue Funds

The Highway User Revenue Fund, Grant Fund, and Excise Tax Fund are considered special revenue funds dedicated for specific purposes. The HURF fund can only be used for road maintenance, construction, etc. The proposed grants will be used to purchase fire equipment (FEMA), Concerts in the Park (Arizona Commission on the Arts) and continued funding for the COPS (Community Oriented Policing) federal grant. The RPTA (Regional Public Transportation Authority) grant can be used for any transportation related activity. Staff is proposing to use this grant for funding the Red Cross Transportation Services and the new Transfare program. The Transfare program will provide subsidized taxi services to senior citizens to travel within Fountain Hills and to the Mayo Clinic.

Expenditures from the Excise Tax Special Revenue fund are restricted for land preservation and downtown development. Debt service payments for the Municipal Property Corporation (MPC) portion of the mountain preservation purchase will be made out of this fund, freeing up general fund revenues (\$472,300 FY2001-2002 and \$605,000 FY2002-2003). The downtown development expenditure, previously referred to as the Downtown Partnership, was formerly included in the general fund's administration budget. Only \$50,000 has been spent of the \$282,000 budgeted in fiscal year 2001-2002. These expenditures, as well as the \$175,000 proposed for fiscal year 2002-2003, will now be made from the downtown development fund. If these expenditures are approved, the projected fund balance at the end of fiscal year 2002-2003 is estimated to be \$1,647,700.

The Debt Service Funds provide for the payment of principal and interest on the Town's general obligation bonds for the retirement of debt. A schedule of outstanding debt is included in the Schedules/Summaries section.

The Development Fees Fund is a restricted fund and may only be spent with Council approval. The restrictions are detailed in Ordinances 00-21 through 00-26 that state, "expenditures cannot be appropriated for funding maintenance or repair of public facilities nor operational or personnel expenses associated with the provision of the public facility". However, the Council can make appropriations to finance public facilities and public facility expenditures, and capital expenditures related to maintaining the level of service standards for existing Town residents (streets). This budget includes expenditures from the Street Department, Parks and Recreation, and General Government Development Fee Funds. A list of public facility projects that are anticipated to be funded with development fees is included in the Schedules/Summaries section.

During fiscal year 2001-2002 the Capital Project Fund had two projects. The first project was the completion of the Library/Museum that began construction in June 2000. The Library was completed in September 2001 and joins the Community Center as the anchor for the future downtown area. The second project was the purchase of the 354-acre McDowell Mountain Preserve that was approved by the voters in 1997. The Community Center project was completed with General Fund resources due to the PG&E default on \$2.1 million in construction funds. However, during the last stages of the budget preparation, there were strong indications that the Town may recover most of the funds. These funds must be deposited into the Capital Projects Fund to be used for their original purpose, in this case the construction of the Community Center. However, the covenant allows for the reimbursement to the General Fund for any expenditure used in the construction. This amount, approximately \$1,000,000, is included in the General Fund as a transfer-in.



The estimated remaining balance of \$1,400,000 can be used to make the debt service payment on the Community Center MPC. Satisfying the debt service, \$362,500 for fiscal year 2001-2002 and \$382,500 for fiscal year 2002-2003, will leave a projected fund balance of \$700,000.



General Fund Summary

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Budget
REVENUES				
State Sales Tax	1,155,447	1,617,000	1,578,000	1,500,000
State Revenue Sharing	1,759,633	2,110,200	2,110,200	2,100,000
Vehicle License Tax	552,083	630,000	650,000	660,000
Fire Insurance Premium Tax	0	0	0	28,000
Local Sales Tax	3,345,904	4,500,000	4,350,000	4,300,000
Business License Fees	72,988	80,500	80,500	65,000
Building Permits	840,340	1,600,000	1,000,000	700,000
Court Fines & Fees	214,270	312,700	280,000	260,000
Animal License Fees	20,652	23,600	23,600	25,000
CCEF Revenue	8,831	6,000	8,850	0
Rezoning/Variance/Special Use	14,947	15,000	15,900	15,000
Improvement Plan Review Fee	25,400	30,000	25,400	15,000
Encroachment Permit Fees	174,643	90,000	181,700	50,000
Subdivision Fees	28,475	15,000	35,000	15,000
Franchise Fees	94,728	130,000	130,000	130,000
Parks & Recreation User Fees	160,085	187,300	188,000	190,000
Rental	55,059	20,700	70,000	100,000
Lease Payment	30,255	36,600	36,600	36,600
Bar Sales/Commission	33,679	0	40,000	35,000
Interest/Investment Income	120,491	350,000	175,000	150,000
Miscellaneous	18,092	12,000	240,640	12,000
TOTAL CURRENT REVENUE	\$8,726,002	\$11,766,600	\$11,219,390	\$10,386,600
Transfer from County	0	0	0	1,070,000
Transfer from Development Fees			266,450	137,300
Transfer from MPC (BNY)				1,000,000
Carry Forward	4,710,061	5,461,742	4,710,061	2,483,712
TOTAL AVAILABLE	\$13,436,063	\$17,228,342	\$16,195,901	\$15,077,612
EXPENDITURES:				
Salaries and Benefits	3,508,383	4,474,448	4,330,378	5,017,734
Contractual Services	2,490,367	3,683,350	2,938,150	5,035,900
Repairs & Maintenance	701,381	1,053,065	784,775	934,525
Supplies and Services	1,276,802	1,898,690	1,565,906	1,913,160
Capital Outlay	1,038,434	1,644,875	1,068,480	194,000
<u>Transfers Out:</u>				
Street Department	400,000	556,150	685,000	0
MPC		392,000	214,500	
Fountain Park		1,000,000		
Land Preservation Fund	0	725,000	1,400,000	806,250
Downtown Development Fund	0	0	425,000	268,750
TOTAL EXPENDITURES/USES	\$9,415,367	\$15,427,578	\$13,412,189	\$14,170,319
RESERVES:				
Contingency	32,548	50,000	50,000	47,500
Undesignated	210,000	1,500,764	250,000	
Police Dept. Capital Reserve	0	250,000	0	0
TOTAL RESERVES	\$242,548	\$1,800,764	\$300,000	\$47,500
Fund Balance	\$3,778,149	\$0	\$2,483,712	\$859,793
TOTAL	\$13,436,063	\$17,228,342	\$16,195,901	\$15,077,612



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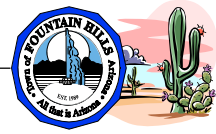


Street Fund Summary

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
REVENUE:				
Highway User	827,644	1,200,000	1,200,000	1,310,000
LTAF	107,735	110,000	110,100	110,000
FEMA Hazard Mitigation	0	0	0	0
Interest	6,217	0	8,000	2,000
Charges for Svcs/In Lieu Pmts	22,274	40,000	25,000	20,000
Misc. Income	0	500	0	0
TOTAL CURRENT REVENUE	\$963,870	\$1,350,500	\$1,343,100	\$1,442,000
Transfer from General Fund	400,000	556,150	685,000	0
Transfer from Development Fees	0	0	0	245,800
Transfer from Cottonwoods ID	0	3,200	3,200	3,200
Carry Forward	9,006	23,437	9,006	6
TOTAL AVAILABLE	\$1,372,876	\$1,933,287	\$2,040,306	\$1,691,006
EXPENDITURES:				
Salaries and Benefits	509,093	669,246	627,150	638,346
Contractual Services	8,750	28,650	29,150	31,300
Repairs and Maintenance	885,931	849,900	1,021,500	684,600
Supplies and Services	163,054	197,500	189,200	194,200
Capital Outlay	29,222	53,000	38,300	15,000
Debt Retirement	101,250	135,000	135,000	126,000
TOTAL CURRENT EXPENDITURE	\$1,697,300	\$1,933,296	\$2,040,300	\$1,689,446
Revenue Over/(Under) Expenditures	(324,424)	(9)	6	1,560
TOTAL	\$1,372,876	\$1,933,287	\$2,040,306	\$1,691,006



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Grants Funds Summary

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
REVENUE:				
Fountain Park - Phase II	0	237,300	0	0
Az. Commission on the Arts	2,500	2,500	2,500	4,000
FEMA - Fire Dept.	0	0	0	83,000
RPTA	54,461	0	65,000	75,000
DPS Gang Int. Task Force	16,670	45,800	16,670	0
Undesignated Grant Requests	0	500,000	0	750,000
US Dept Justice Comm.Policing	170,250	175,656	175,656	28,900
General Fund Matching Funds Trsfr	0	1,000,000	0	0
TOTAL AVAILABLE	\$243,881	\$1,961,256	\$259,826	\$940,900
EXPENDITURES:				
Fountain Park - Phase II	0	1,237,300	0	0
Az Commission on the Arts	2,500	2,500	2,500	4,000
FEMA - Fire Dept.	0	0	0	83,000
RPTA	54,461	0	65,000	75,000
DPS Gang Int. Task Force	16,231	45,800	16,670	0
US Dept Justice Comm.Policing	172,669	175,656	175,656	28,900
Misc. Grant Expenditures	0	500,000	0	750,000
TOTAL EXPENDITURES	\$245,861	\$1,961,256	\$259,826	\$940,900
Contingency	(1,980)	0	0	0
TOTAL	\$243,881	\$1,961,256	\$259,826	\$940,900



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Debt Retirement – HURF/GO Bonds

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
REVENUE:				
Property Tax Revenue:				
General Obligation Bonds	1,221,270	1,379,000	1,516,700	1,250,000
Other Debt Retirement Issues:				
HURF Street Paving Transfers	101,250	136,650	136,650	126,000
Cottonwoods Improvement District	0	4,500	4,500	4,500
Mountain Preserve/MPC	0	725,000	1,400,000	605,000
Interest Earnings	627	1,000	1,000	2,650
TOTAL REVENUES	\$1,323,147	\$2,246,150	\$3,058,850	\$1,988,150
Carry Forward		188,600		238,600
TOTAL AVAILABLE	\$1,323,147	\$2,434,750	\$3,058,850	\$2,226,750
EXPENDITURES:				
General Obligation Bonds:				
Bond Payment - GO	96,735	339,000	339,000	354,000
Bond Payment - Lakeside	33,500	142,000	142,000	137,500
Bond Payment - Library/Museum	98,413	397,000	397,000	385,000
Bond Payment - Mtn Preserve GO	0	640,000	401,100	513,500
Special Districts/MPC Debt Service:				
Bond Payment - HURF	19,811	136,650	136,650	126,000
Bond Payment - Cottonwoods Impr. Dis	0	4,500	4,500	4,500
Bond Payment - Mtn Preserve MPC	120,931	725,000	1,400,000	605,000
TOTAL EXPENDITURES	\$369,390	\$2,384,150	\$2,820,250	\$2,125,500
Carry Forward	953,757	50,600	238,600	101,250
TOTAL AVAILABLE	\$1,323,147	\$2,434,750	\$3,058,850	\$2,226,750



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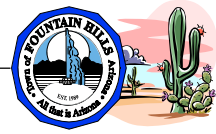


Excise Tax Special Revenue

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
REVENUES:				
Land Preservation	0	0	764,760	806,250
Downtown Development	0	0	263,250	268,750
TOTAL REVENUES	\$0	\$0	\$1,028,010	\$1,075,000
Carryforward-Preservation	0	0	635,240	927,700
Carryforward-Downtown			211,750	425,000
TOTAL AVAILABLE	\$0	\$0	\$1,875,000	\$2,427,700
EXPENDITURES:				
Land Preservation	0	0	472,300	605,000
Downtown Development	50,000	0	50,000	175,000
TOTAL EXPENDITURES	\$50,000	\$0	\$522,300	\$780,000
Contingency-Preservation			927,700	1,128,950
Contingency-Downtown	0	0	425,000	518,750
TOTAL AVAILABLE	\$50,000	\$0	\$1,875,000	\$2,427,700



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Development Fees

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
REVENUES:				
Marshal Department Development Fees	9,594	0	13,500	8,160
Interest		0	100	350
Carryforward	960	0	960	14,560
TOTAL	\$10,554	\$0	\$14,560	\$23,070
Street Department Development Fees	121,249	0	165,000	80,835
Interest		0	1,000	3,400
Carryforward	13,742	0	13,742	179,742
TOTAL	\$134,991	\$0	\$179,742	\$263,977
Parks & Recreation Development Fees	133,340	0	195,000	288,150
Interest		0	1,100	4,500
Carryforward	33,900	0	33,900	149,050
TOTAL	\$167,240	\$0	\$230,000	\$441,700
Open Space Development Fees	149,702	0	200,000	320,790
Interest		0	1,200	47,000
Carryforward	37,740	0	37,740	238,940
TOTAL	\$187,442	\$0	\$238,940	\$606,730
General Government Development Fees	143,057	0	200,000	118,830
Interest		0	900	4,200
Carry Forward	13,980	0	13,980	29,380
TOTAL	\$157,037	\$0	\$214,880	\$152,410
TOTAL AVAILABLE	657,264	0	878,122	1,487,887
EXPENDITURES:				
Marshal Department Fees	0	0	0	21,660
Street Department Fees	0	0	0	245,835
Parks & Recreation Fees	0	0	80,950	
Open Space Fees	0	0	0	15,000
General Government Fees	0	0	185,500	137,300
TOTAL EXPENDITURES	\$0	\$0	\$266,450	\$419,795
Contingency	657,264	0	611,672	1,068,092
TOTAL AVAILABLE	657,264	0	878,122	1,487,887



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Eagle Mountain Community Facilities District

Annual Statement of Estimates of Expenses				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
REVENUE:				
Property Tax Revenue	485,850	350,000	490,000	490,000
Investment Earnings	0	0	0	0
TOTAL REVENUES	485,850	350,000	490,000	490,000
Carryforward	0	11,650	646,529	818,179
TOTAL AVAILABLE	485,850	361,650	1,136,529	1,308,179
EXPENDITURES:				
Debt Service	156,675	313,350	313,350	453,350
Trustee Fees	5,000	5,000	5,000	5,000
Misc. Fees/Expenses		0	0	0
TOTAL EXPENDITURES	161,675	318,350	318,350	458,350
Carryforward		43,300	818,179	849,829
TOTALS	161,675	361,650	1,136,529	1,308,179



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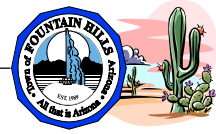


Cottonwoods Maintenance District

Annual Statement of Estimates of Expenses					
			2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Budget
REVENUE:					
Maintenance District Revenue			3,200	3,200	3,200
TOTAL REVENUES			3,200	3,200	3,200
EXPENDITURES:					
Maintenance Costs			3,200	3,200	3,200
TOTAL EXPENDITURES			3,200	3,200	3,200



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Total Revenue Sources

	4/31/2002 Year to Date	2001-2002 Budget	2001-2002 Revised Est.	2002-2003 Proposed
Source of Revenues				
GENERAL FUND				
Intergovernmental				
State Sales Tax	\$1,155,447	\$1,617,000	\$1,578,000	\$1,500,000
State Income Tax	\$1,759,633	\$2,110,200	\$2,110,200	\$2,100,000
Vehicle License Tax	\$552,083	\$630,000	\$650,000	\$660,000
Fire Insurance Premium Tax	\$0	\$0	\$0	\$28,000
Total Intergovernmental	\$3,467,163	\$4,357,200	\$4,338,200	\$4,288,000
Taxes				
Local Sales Tax	\$3,345,904	\$4,500,000	\$4,350,000	\$4,300,000
Franchise Tax	\$94,728	\$130,000	\$130,000	\$130,000
Total Taxes	\$3,440,632	\$4,630,000	\$4,480,000	\$4,430,000
Charges for Services				
Parks & Rec User Fees	\$160,085	\$187,300	\$188,000	\$190,000
Encroachment Permit Fee	\$174,643	\$90,000	\$181,700	\$50,000
Subdivision Fees	\$28,475	\$15,000	\$35,000	\$15,000
Total Charges for Services	\$363,203	\$292,300	\$404,700	\$255,000
Licenses and Permits				
Animal License Fees	\$20,652	\$23,600	\$23,600	\$25,000
Business License Fees	\$72,988	\$80,500	\$80,500	\$65,000
Building Permit Fees	\$840,340	\$1,600,000	\$1,000,000	\$700,000
Rezoning/Variance Fees	\$14,947	\$15,000	\$15,900	\$15,000
Improvement Plan Review Fee	\$25,400	\$30,000	\$25,400	\$15,000
Total Licenses and Permits	\$974,327	\$1,749,100	\$1,145,400	\$820,000
Fines and Forfeitures				
Court Fines	\$214,270	\$312,700	\$280,000	\$260,000
JCEF/CCEF Revenue	\$8,831	\$6,000	\$8,850	\$0
Total Fines and Forefeitures	\$223,101	\$318,700	\$288,850	\$260,000
Community Center				
Rental Fees	\$55,059	\$20,700	\$70,000	\$100,000
Bar Sales/Commission	\$33,679	\$0	\$40,000	\$35,000
Total Community Center	\$88,738	\$20,700	\$110,000	\$135,000
Miscellaneous				
Leases	\$30,255	\$36,600	\$36,600	\$36,600
Interest on Investments	\$120,491	\$350,000	\$175,000	\$150,000
Miscellaneous	\$18,092	\$12,000	\$240,640	\$12,000
Total Miscellaneous	\$168,838	\$398,600	\$452,240	\$198,600
Transfer from County	\$0	\$0	\$0	\$1,070,000
Transfer from Development Fees	\$0	\$0	\$266,450	\$137,300
Transfer from MPC (BNY)	\$0	\$0	\$0	\$1,000,000
Carry-In Balance	\$4,710,061	\$5,461,742	\$4,710,061	\$2,483,712
TOTAL GENERAL FUND	\$13,436,063	\$17,228,342	\$16,195,901	\$15,077,612



Total Revenue Sources

	4/31/2002 Year to Date	2001-2002 Budget	2001-2002 Revised Est.	2002-2003 Proposed
Source of Revenues				
SPECIAL REVENUE FUNDS				
Highway Users Revenue Funds				
Highway Users	\$827,644	\$1,200,000	\$1,200,000	\$1,310,000
Local Transportation (LTAF)	\$107,735	\$110,000	\$110,100	\$110,000
In Lieu Payments	\$22,274	\$40,000	\$25,000	\$20,000
Interest	\$6,217	\$0	\$8,000	\$2,000
Miscellaneous	\$0	\$500	\$0	\$0
Carry Forward	\$9,006	\$23,437	\$9,006	\$6
Transfers In	\$400,000	\$559,350	\$688,200	\$249,000
Total Highway Users Revenue Fund	\$1,372,876	\$1,933,287	\$2,040,306	\$1,691,006
Excise Tax Special Revenue				
Land Preservation	\$0	\$0	\$764,760	\$806,250
Downtown Development	\$0	\$0	\$263,250	\$268,750
Carry Forward	\$0	\$0	\$846,990	\$1,352,700
Total Excise Tax Special Revenue	\$0	\$0	\$1,875,000	\$2,427,700
Grants				
COPS Universal	\$170,250	\$175,656	\$175,656	\$28,900
Heritage	\$0	\$237,300	\$0	\$0
AZ Commission on the Arts	\$2,500	\$2,500	\$2,500	\$4,000
Gang Task Force (GETUM)	\$16,670	\$45,800	\$16,670	\$0
FEMA - Fire Department	\$0	\$0	\$0	\$83,000
RPTA (Transit Grant)	\$54,461	\$0	\$65,000	\$75,000
Miscellaneous Grants	\$0	\$500,000	\$0	\$750,000
Transfers In/(Out)	\$0	\$1,000,000	\$0	\$0
Total Grants	\$243,881	\$1,961,256	\$259,826	\$940,900
TOTAL SPECIAL REVENUE FUNDS	\$1,616,757	\$3,894,543	\$2,300,132	\$5,059,606
DEBT SERVICE FUNDS				
General Obligation Bonds				
Secondary Property Tax	\$1,221,270	\$1,379,000	\$1,516,700	\$1,250,000
Interest	\$627	\$1,000	\$1,000	\$2,650
Carryforward	\$0	\$188,600	\$0	\$238,600
Total General Obligation Bonds	\$1,221,897	\$1,568,600	\$1,517,700	\$1,491,250
HURF Street Paving Transfers	\$101,250	\$136,650	\$136,650	\$126,000
Eagle Mountain CFD	\$485,850	\$361,650	\$1,136,529	\$1,308,179
Cottonwoods Improvement District	\$0	\$4,500	\$4,500	\$4,500
TOTAL DEBT SERVICE FUNDS	\$1,808,997	\$2,071,400	\$2,795,379	\$2,929,929



Total Revenue Sources

Source of Revenues	4/31/2002 Year to Date	2001-2002 Budget	2001-2002 Revised Est.	2002-2003 Proposed
DEVELOPMENT FEES				
Marshal Department Development Fees	\$9,594	\$0	\$13,500	\$8,160
Interest	\$0	\$0	\$100	\$350
Carry Forward	\$960	\$0	\$960	\$14,560
Total Marshal Department	\$10,554	\$0	\$14,560	\$23,070
Street Department Development Fees	\$121,249	\$0	\$165,000	\$80,835
Interest	\$0	\$0	\$1,000	\$3,400
Carry Forward	\$13,742	\$0	\$13,742	\$179,742
Total Street Department	\$134,991	\$0	\$179,742	\$263,977
Parks & Recreation Development Fees	\$133,340	\$0	\$195,000	\$288,150
Interest	\$0	\$0	\$1,100	\$4,500
Carry Forward	\$33,900	\$0	\$33,900	\$149,050
Total Parks & Recreation	\$167,240	\$0	\$230,000	\$441,700
Open Space Development Fees	\$149,702	\$0	\$200,000	\$320,790
Interest	\$0	\$0	\$1,200	\$47,000
Carry Forward	\$37,740	\$0	\$37,740	\$238,940
Total Open Space	\$187,442	\$0	\$238,940	\$606,730
General Government Development Fees	\$143,057	\$0	\$200,000	\$118,830
Interest	\$0	\$0	\$900	\$4,200
Carry Forward	\$13,980	\$0	\$13,980	\$29,380
Total General Government	\$157,037	\$0	\$214,880	\$152,410
TOTAL DEVELOPMENT FEES	\$657,264	\$0	\$878,122	\$1,487,887
CAPITAL PROJECTS FUND				
Community Center MPC	\$0	\$0	\$362,500	\$2,100,000
Land Preservation	\$13,826,973	\$13,700,000	\$13,826,973	\$0
Library Museum	\$1,530,431	\$1,422,500	\$1,530,431	\$0
TOTAL CAPITAL PROJECTS FUND	\$15,357,404	\$15,122,500	\$15,719,904	\$2,100,000
TOTAL ALL FUNDS	\$32,876,485	\$38,316,785	\$37,889,438	\$26,655,034



Total Expenditures

Fund/Department	4/31/2002 Year to Date	2001-2002 Budget	2001-2002 Revised Est.	2002-2003 Proposed
GENERAL FUND				
Community Center	\$1,027,642	\$1,441,658	\$1,239,850	\$660,704
Municipal Court	\$268,681	\$330,650	\$324,256	\$327,470
Town Council	\$69,766	\$104,660	\$91,160	\$62,160
Administration	\$2,408,207	\$3,854,100	\$2,754,950	\$3,003,400
Information Technology	\$160,236	\$301,190	\$198,900	\$184,555
Community Development	\$284,465	\$406,080	\$337,250	\$409,510
Building Safety	\$437,619	\$609,050	\$516,700	\$501,700
Public Works	\$928,826	\$1,546,940	\$1,132,680	\$1,205,200
Recreation	\$616,660	\$746,940	\$738,758	\$742,850
Parks	\$779,836	\$2,128,770	\$900,435	\$830,620
Marshal Department	\$2,107,351	\$2,676,390	\$2,612,450	\$2,658,380
Fire Department	\$0	\$0	\$0	\$2,361,270
Transfers (In)/Out	\$400,000	\$1,281,150	\$2,510,000	\$1,075,000
Contingency	\$242,548	\$1,800,764	\$300,000	\$50,000
Year End Fund Balance	\$3,667,929	\$0	\$2,483,712	\$1,004,793
TOTAL GENERAL FUND	\$13,399,765	\$17,228,342	\$16,141,101	\$15,077,612
SPECIAL REVENUE FUNDS				
Highway Users	\$1,697,300	\$1,933,287	\$2,040,306	\$1,691,006
COPS Universal	\$172,669	\$175,656	\$175,656	\$28,900
Heritage	\$0	\$1,237,300	\$0	\$0
AZ Commission on the Arts	\$2,500	\$2,500	\$2,500	\$4,000
Gang Task Force (GETUM)	\$16,231	\$45,800	\$16,231	\$0
FEMA - Fire Department	\$0	\$0	\$0	\$83,000
RPTA (Transit Grant)	\$54,461	\$0	\$65,000	\$75,000
Miscellaneous Grants	\$0	\$500,000	\$0	\$750,000
Total Grants	1,943,161	3,894,543	2,299,693	2,631,906
Excise Tax Special Revenue				
Land Preservation	\$0	\$0	\$472,300	\$605,000
Downtown Development	\$50,000	\$0	\$50,000	\$175,000
Year End Fund Balance	\$0	\$0	\$1,352,700	\$1,647,700
Total Excise Tax Special Revenue	\$50,000	\$0	\$1,875,000	\$2,427,700
TOTAL SPECIAL REVENUE FUNDS	\$1,993,161	\$3,894,543	\$4,174,693	\$5,059,606
DEBT SERVICE FUNDS				
General Obligation Bonds				
Bond Payment - GO	\$96,735	\$339,000	\$339,000	\$354,000
Bond Payment - Lakeside	\$33,500	\$142,000	\$142,000	\$137,500
Bond Payment - Library/Museum	\$98,413	\$397,000	\$397,000	\$385,000
Bond Payment - Mtn Preserve GO	\$0	\$640,000	\$401,100	\$513,500
Year End Fund Balance	\$953,757	\$50,600	\$238,600	\$101,250
Total General Obligation Bonds	\$1,182,405	\$1,568,600	\$1,517,700	\$1,491,250



Total Expenditures

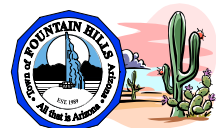
Fund/Department	4/31/2002 Year to Date	2001-2002 Budget	2001-2002 Revised Est.	2002-2003 Proposed
Special Districts/MPC Debt Service:				
Bond Payment - HURF	\$19,811	\$136,650	\$136,650	\$126,000
Eagle Mountain CFD	\$161,675	\$361,650	\$1,136,529	\$1,308,179
Bond Payment - Cottonwoods ID.	\$0	\$4,500	\$4,500	\$4,500
Total Special District Debt Service	\$181,486	\$502,800	\$1,277,679	\$1,438,679
TOTAL DEBT SERVICE FUNDS	\$1,363,891	\$2,071,400	\$2,795,379	\$2,929,929
 DEVELOPMENT FEES				
Marshal Department Development Fees	\$0	\$0	\$0	\$0
Total Marshal Department	\$0	\$0	\$0	\$0
Street Department Development Fees	\$0	\$0	\$0	\$245,835
Total Street Department	\$0	\$0	\$0	\$245,835
Parks & Recreation Development Fees	\$0	\$0	\$80,950	\$0
Total Parks & Recreation	\$0	\$0	\$80,950	\$0
Open Space Development Fees	\$0	\$0	\$0	\$15,000
Total Open Space	\$0	\$0	\$0	\$15,000
General Government Development Fees	\$0	\$0	\$185,500	\$137,300
Total General Government	\$0	\$0	\$185,500	\$137,300
Year End Fund Balance Dev Fees	\$657,264	\$0	\$611,672	\$1,089,752
TOTAL DEVELOPMENT FEES	\$657,264	\$0	\$878,122	\$1,487,887
 CAPITAL PROJECTS FUND				
Community Center MPC	\$0	\$0	\$362,500	\$1,400,000
Land Preservation	\$13,400,262	\$13,700,000	\$13,400,262	\$0
Library Museum	\$1,443,572	\$1,422,500	\$1,443,572	\$0
Year End Fund Balance				\$700,000
TOTAL CAPITAL PROJECTS FUND	\$14,843,834	\$15,122,500	\$15,206,334	\$2,100,000
 TOTAL ALL FUNDS	\$32,257,915	\$38,316,785	\$39,195,629	\$26,655,034



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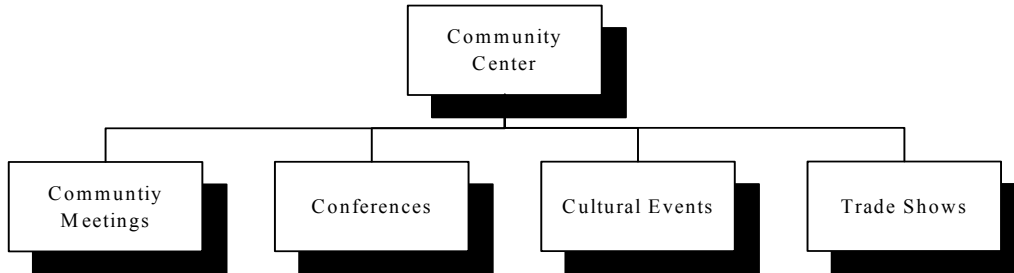


Community Center





Community Center



Mission Statement

Like the trademark fountain that stands at the heart of the community, so too does the Community Center. Its mission is to enhance the quality of life for Fountain Hills' citizens by providing a gathering place for civic, non-profit and community events, promoting the arts, and developing a conference and convention trade. The Community Center shall be "All that is Fountain Hills."

Department Description

The Fountain Hills Community Center provides rental space for recreational, civic, educational, commercial and personal events that require meeting, banquet, seminar, classroom or exhibit space. The Center staff works with clients to insure that meeting rooms and other areas are clean, properly set, and prepared for their use. License agreements insure that users comply with the policies and procedures as adopted by the Town.

Goals and Objectives

The Fountain Hills Community Center is dedicated to serving the residents and community groups of Fountain Hills in the manner and spirit established by the former Community Center. A variety of amenities and spaces combined with a very affordable rate structure provide residents with increased opportunities for personal and local non-profit use. The Center will continue to make community and resident usage a number one priority.

Additionally, the department will incorporate the following goals and objectives previously established: maintaining a safe and accessible facility, satisfying clients' requirements, maximizing facility usage and bringing additional revenues into Fountain Hills. The Center will provide a positive economic stimulus to the Town by scheduling and booking as many outside groups as possible while continuing to meet the needs of the Fountain Hills community.



Performance Standards

- The Center shall meet with clients, obtain all necessary event information, discuss rental fees and mail a license agreement within ten working days.
- Clients shall be furnished a detailed scale drawing of their event showing the set. The drawing requires client approval before the event set-up begins.
- All events shall be properly supervised with Center personnel readily available to assist with clients' needs.
- Liquor net profits are to be shared on a 50/50 basis with all non-profit groups whose proceeds are designated for community projects or causes.
- Billings for events are to be processed in a prompt manner within ten days of the events.
- Center operations shall meet or exceed the Management Indicators.

Management Indicators

	2001–2002 Estimated	2001–2002 Revised	2002– 2003 Projected
Events/Activities	700	1,000	1,200
Attendance	10,000	50,000	70,000
Revenues	\$20,700	\$85,000	\$100,000

Fiscal Year 2001–2002 Accomplishments

In the first nine months of operation, the Fountain Hills Community Center has accomplished the following:

- Hired and trained new staff for the new department including three full-time employees (director, event coordinator and operation supervisor) and four part-time employees, (administrative assistant, information specialist/volunteer coordinator, two operations workers).
- Obtained a State of Arizona Liquor License and became the sole purveyor of liquor at the facility.
- Developed and created all the necessary paperwork and forms including the license agreement, event information sheet, event report sheet, cover letters, invoicing format and other necessary documentation for center operations.
- Town Council created a seven person Advisory Commission to work with the director to provide community input and recommendations regarding Center operations.
- With Advisory Commission assistance, developed and recommended to the Town Council a rental rate schedule intended to encourage local participation.
- Created the Policies and Procedures Manual in cooperation with the Advisory Commission.
- Developed an excellent volunteer staff that not only oversees the front desk but also has created several community activities: the Holiday Celebration and tree decorating, “Munch and Music” and “Summer Serendipity.”



- Developed and operated within the estimated first-year budget.
- Generated 895 activities, hosted over 41,000 attendees, and generated revenues of \$70,400 (originally estimated at \$20,700) in the first six months.

Fiscal Year 2002–2003 Objectives _____

- Continue the high level of facility usage through aggressive marketing and superior customer service.
- Schedule four major trade shows.
- Remain the preferred location for all service club meetings, Chamber functions and major community social and fund raising events.
- Continue to present a professional image to all clients both in appearance and manner.
- Maintain the facility in “like new” condition.
- Continue the partnership with the Tourism Council for increased tourism and meetings.
- Develop a workable financial agreement for Parks and Recreation classes.
- Develop new and interesting community events designed to be enjoyable, entertaining and free of charge.
- Increase revenues to \$100,000, attendance to 70,000, and usage to over 1,200 activities.

**Summary Expenditures – Community Center**

	Year-to-Date	Budget	02 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$168,403	\$196,258	\$225,650	\$329,804
CONTRACTUAL SERVICES	\$3,300	\$0	\$3,300	\$85,000
REPAIRS & MAINTENANCE	\$2,896	\$12,000	\$3,500	\$10,500
SUPPLIES & SERVICES	\$85,476	\$144,300	\$113,400	\$115,400
CAPITAL EXPENDITURES	<u>\$657,347</u>	<u>\$670,000</u>	<u>\$679,500</u>	<u>\$120,000</u>
TOTAL EXPENDITURES	<u>\$917,422</u>	<u>\$1,022,558</u>	<u>\$1,025,350</u>	<u>\$660,704</u>

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Community Center			
Director	1.00	1.00	1.00
Events/Marketing Coordinator	0	1.00	1.00
Operations Supervisor	0	1.00	1.00
Administrative Assistant	0	0.50	1.00
Operations Worker	0	1.00	1.00
Custodian	0	0	1.00
Volunteer Coordinator	0	0.50	0.50
Authorized FTE	1.00	5.00	6.50



Salaries and Benefits

\$329,804

This item includes compensation for 6.5 full time equivalent employees. This includes the proposed change of the administrative assistant to full time and the addition of two part time custodians dedicated to the Community Center.

Contract Services

\$85,000

Contract services include \$5,000 for entry mats, pest control, copy machine and trash collection. New in this category is the \$80,000 requested under Tourism: \$30,000 is for Fountain Hills' participation with the Scottsdale Convention and Visitors Bureau; \$40,000 is the Chamber Tourism Council request (includes a grant of \$15,898); \$10,000 represents funds for the Community Center magazine national advertising campaign for meetings, weddings and banquets, other publications and trade show participation.

Repairs and Maintenance

\$10,500

This category includes the costs for normal repair and maintenance of the facility, equipment rental such as sound or lighting systems, and normal office equipment repair and maintenance. Though certain pieces of equipment are under warranty, it is anticipated that some repairs will be required.

Supplies and Services

\$115,400

This budget reflects needs based upon analysis of actual usage. Last year, office supplies included many one-time start-up purchases whereas this year's request is for supplies and volunteer expenses. Also included is local advertising for community event programs, user brochures, flyers, and promotional reminders.

Utility usage has been estimated for next year based upon the first six months of operation and reflects lower amounts than originally estimated. Printing expenses show a slight increase required for a full year of stationary supplies. Communications are increased to upgrade cell phones to current Town standards.

Bar supplies is a new line item this year. Liquor sales are a significant part of overall revenues. The Center's margins are lower than private commercial centers, allowing lower prices to be charged. This is an advantage in holding major events at the Center. That, combined with the policy of sharing net profits with non-profit organizations, makes the Center unique and very appealing to clients.

Uniforms are for polo shirts to be worn by operational, custodial and event supervision staff for a professional, recognizable appearance.

Capital Expenditures

\$120,000

\$120,000 represents the donated funds for furniture, furnishings and equipment raised through brick sales and donations. An allocation of \$10,000 is included to build two large storage cabinets, one in each classroom, to store tables and chairs. The location of the cabinets on either side of the removable wall that divides the classrooms will not interfere in the effective usage of either room.



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CIVIC/COMMUNITY CENTER	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS				
Wages	144,869	159,920	195,000	265,050
FICA	4,469	5,110	6,400	9,150
Unemployment Insurance	512	298	600	447
Employee's Health Insurance	6,060	13,175	8,500	18,450
Employee's Life Insurance	97	270	150	240
Employee's Dental Insurance	683	2,002	900	1,900
Employee's Eye Insurance	154	330	200	480
Worker's Compensation Insurance	402	1,660	700	3,630
Employee's Retirement Fund	10,758	12,707	12,700	19,784
Disability Insurance	399	786	500	673
Bartender Services	0	0	0	10,000
TOTAL	168,403	196,258	225,650	329,804
CONTRACT SERVICES				
Professional Fees	3,300	0	3,300	5,000
Tourism	0	0	0	80,000
TOTAL	\$3,300	\$0	\$3,300	\$85,000
REPAIRS & MAINTENANCE:				
Equipment Rental	0	2,000	0	0
Building Repairs & Maintenance	2,636	6,000	3,000	7,000
Office Repairs/Maintenance	260	4,000	500	3,500
TOTAL	\$2,896	\$12,000	\$3,500	\$10,500
SUPPLIES & SERVICES:				
Advertising	2,716	4,000	4,000	3,000
Conferences	1,276	2,000	1,300	1,500
Education/Training	514	1,500	600	500
Dues/Publications	1,450	800	1,500	1,000
Electricity	20,361	76,500	35,000	60,000
Office Supplies	31,952	40,500	36,000	10,500
Postage	0	3,000	2,000	0
Bar Supplies	17,481		20,000	25,000
Printing	1,622	2,500	1,700	2,500
Communications Expense	1,813	0	1,800	2,000
Travel	104	2,500	200	200
Water/Sewer	4,502	10,000	7,500	7,500
Uniforms	1,559	1,000	1,600	1,500
Bank Charges	126	0	200	200
TOTAL	\$85,476	\$144,300	\$113,400	\$115,400
CAPITAL EXPENDITURES				
Capital - Furniture/Equipment	9,439	0	9,500	120,000
Construction Costs	647,908	670,000	670,000	0
Bond Payment	110,220	392,000	214,500	0
TOTAL	\$767,567	\$1,062,000	\$894,000	\$120,000
TOTAL EXPENDITURES	\$1,027,642	\$1,414,558	\$1,239,850	\$660,704



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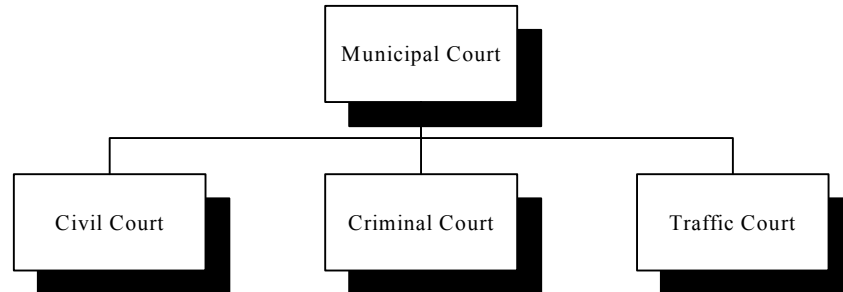


Municipal Court





Municipal Court



Mission Statement _____

The Fountain Hills Municipal Court is dedicated to enhancing the quality of life in Fountain Hills by fairly and impartially administering justice in an efficient and professional manner. The court strives to act as a model for public trust and confidence in the justice system.

Department Description _____

The Fountain Hills Municipal Court has jurisdiction over civil and criminal traffic, misdemeanor violations of Arizona Revised Statutes, and violations of town codes and ordinances. The municipal court judge also presides over juvenile violations per A.R.S. §8-323 and has authority to issue search warrants, orders of protection and injunctions against harassment.

The court must remain compliant with constantly changing laws and rules of procedure. As part of the Arizona State Court System, the municipal court is subject to the authority of the Arizona Supreme Court. The court must comply with federal, state and local regulations pertaining to victims' rights, domestic violence legislation, driving under the influence laws, record disposition and fingerprinting, ADA, and minimum accounting standards.

Performance Standards _____

- Adjudicate 95% of all civil traffic cases within 60 days.
- Adjudicate 80% of criminal and criminal traffic cases within 60 days and 95% within 120 days.
- Maintain a fair and impartial environment to resolve legal disputes.
- Respond to incoming mail requests within 24 hours.
- Issue warrants for failure to appear within two business days.
- Keep written procedures current with changes in laws and rules.



Management Indicators

	Fiscal Year 2000-2001	Fiscal Year 2001-2002 (estimated)
Cases Filed	5,826	3,883
Cases Terminated	6,159	4,632
Hearings Held	994	795
Civil Traffic Cases closed within 60 days		97%
Criminal / Criminal Traffic Cases closed within 60 days		72%
Criminal / Criminal Traffic Cases closed within 120 days		95%

Fiscal Year 2001–2002 Accomplishments

- Successfully completed our first court operational review by the Supreme Court. The court received outstanding comments on record management, policies, procedures and business practices.
- Successfully completed a triennial financial audit as required by the Supreme Court with no recommendations for change.
- Completed office remodeling to maximize use of existing space. The new configuration allows staff to work together more efficiently.
- For calendar year 2001, the court filed 4,921 cases and successfully closed 5,540 cases.
- Every member of the court staff completed at least 16 hours of continuing education and has been cross training to provide better service to the public.
- The court participated in the tax intercept program that intercepts and collects state income tax refunds from defendants who owe money to the court.

Fiscal Year 2002-2003 Objectives

- Support and assist the incoming presiding judge.
- Provide training and education opportunities to staff that will best serve the needs of the municipal court as well as any mandates from Supreme Court.
- Review and update all written procedures.
- Expand fine collection methods by more fully using internet options.



Summary Expenditures – Municipal Court

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$233,866	\$289,800	\$286,450	\$304,920
CONTRACTUAL SERVICES	\$7,365	\$10,500	\$9,000	\$7,000
REPAIRS & MAINTENANCE	\$1,057	\$1,200	\$1,100	\$1,200
SUPPLIES & SERVICES	\$19,433	\$22,150	\$20,706	\$14,350
CAPITAL EXPENDITURES	\$6,960	\$7,000	\$7,000	\$0
TOTAL EXPENDITURES	\$268,681	\$330,650	\$324,256	\$327,470

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Municipal Court			
Judge	1	1	1
Court Administrator	1	1	1
Court Services Specialist I	1	1	1
Court Services Specialist II	1.5	2	2
Court Collection Specialist I	1	1	1
Authorized FTE	5.5	6	6



Salaries and Benefits

\$304,920

This item includes compensation for six full time equivalent employees within this department.

Contract Services

\$7,000

This category includes required interpreting services in addition to Spanish and the services of pro tem judges on an as needed basis. The court also has a contract for \$3,000 with the Supreme Court for the use and maintenance of Arizona Court Automation Program (ACAP).

Repairs and Maintenance

\$1,200

This supports routine service and annual maintenance of office equipment.

Supplies and Services

\$14,350

The court was granted \$1,000 for staff to attend mandatory educational conferences. Conference attendance for presiding judges is required to learn about new laws and to complete required, ongoing education. Court staff is required to complete a minimum of sixteen hours of ongoing education per year to fulfill ethical, customer service, procedural, and computer information training as required by the Supreme Court. Dues include an allocation for the Arizona Court Association and the Arizona Magistrate's Association, Updated A.R.S. volumes and Rules of Court, subscriptions for the *Cole's Directory* and Credit Data Southwest credit reporting service.



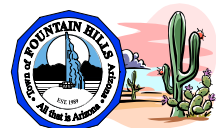
MUNICIPAL COURT				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS				
Wages	186,619	233,900	229,000	238,200
FICA	2,623	3,440	3,250	3,490
Unemployment Insurance	249	300	250	300
Employee's Health Insurance	19,599	20,440	23,720	31,100
Employee's Life Insurance	249	540	300	360
Employee's Dental Insurance	2,395	2,780	2,760	3,000
Employee's Eye Insurance	469	660	550	700
Worker's Compensation Insurance	266	410	375	480
Employee's Retirement Fund	20,528	25,730	25,200	26,210
Disability Insurance	869	1,600	1,045	1,080
TOTAL	\$233,866	\$289,800	\$286,450	\$304,920
CONTRACT SERVICES				
Accounting Fees	2,000	2,000	2,000	0
Interpreters/Pro-Tem Judge	2,365	6,000	4,000	4,000
Intergovernmental Agreements	3,000	2,500	3,000	3,000
TOTAL	\$7,365	\$10,500	\$9,000	\$7,000
REPAIRS & MAINTENANCE:				
Office Equipment Repairs	1,057	1,200	1,100	1,200
TOTAL	\$1,057	\$1,200	\$1,100	\$1,200
SUPPLIES & SERVICES:				
Advertising/Signage	456	400	425	400
Conferences	719	1,000	1,000	200
Education/Training	537	1,000	550	1,000
Fees & Publications	3,625	3,000	3,600	3,000
Office Supplies	1,967	5,200	2,400	4,500
Printing	1,375	2,200	1,500	2,000
Communication Expense	0	250	0	250
Travel	211	600	300	500
Bank Charges	1,712	2,500	2,100	2,500
Local JCEF Expenditures	0	0	0	0
Local CCEF Expenditures	8,831	6,000	8,831	0
TOTAL	\$19,433	\$22,150	\$20,706	\$14,350
CAPITAL EXPENDITURES				
Capital Outlay - Furniture/Equipment	6,960	7,000	7,000	0
TOTAL CAPITAL EXPENDITURE:	\$6,960	\$7,000	\$7,000	\$0
TOTAL EXPENDITURES	\$268,681	\$330,650	\$324,256	\$327,470



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Town Council





Town Council

Mission Statement _____

Expenditures appearing in this section support the goals and objectives of the Mayor and Town Council. These include maximizing public access to Council meetings, providing funding for municipal elections, enhancing consistent communication, compensating and equipping the Mayor and Town Council with the tools necessary to do their jobs; and promoting communication and awareness of the Mayor, Town Council, and the Town with other municipalities.

Salaries and Benefits

\$39,460

This item includes Council salaries and FICA expense.

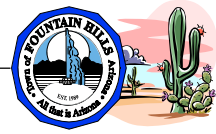
Supplies and Services

\$25,200

Funds are included for an election to adopt the General Plan, and for other possible elections, such as property tax, bond, referendum and initiative. These funds also support activities such as meeting with other dignitaries, attending functions as Town representatives, hosting intergovernmental activities, and welcoming special guests and visitors to the community. This line item provides funding to purchase commemorative items to share with visiting dignitaries and to promote Fountain Hills at the annual Arizona League of Cities and Towns conference. Monies are also included for travel, communications, publications, ads/notices, printing, portraits, and miscellaneous office items.



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TOWN COUNCIL				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS				
Wages	29,200	36,000	36,000	36,000
Employer Taxes	2,604	3,460	3,460	3,460
TOTAL	\$31,804	\$39,460	\$39,460	\$39,460
SUPPLIES & SERVICES:				
Election Expense	17,877	36,000	30,000	15,000
Advertising	17,412	11,000	18,000	5,000
Conferences	700	1,000	700	700
Dues & Publications	0	200	0	0
Community Outreach	0	500	0	500
Office Supplies/Portraits	382	3,500	500	1,500
Communications	0	0	0	1,250
Travel	1,591	13,000	2,500	1,250
TOTAL	\$37,962	\$65,200	\$51,700	\$25,200
CAPITAL EXPENDITURES				
Capital Outlay	0	0	0	0
TOTAL CAPITAL EXPENDITURE	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$69,766	\$104,660	\$91,160	\$64,660



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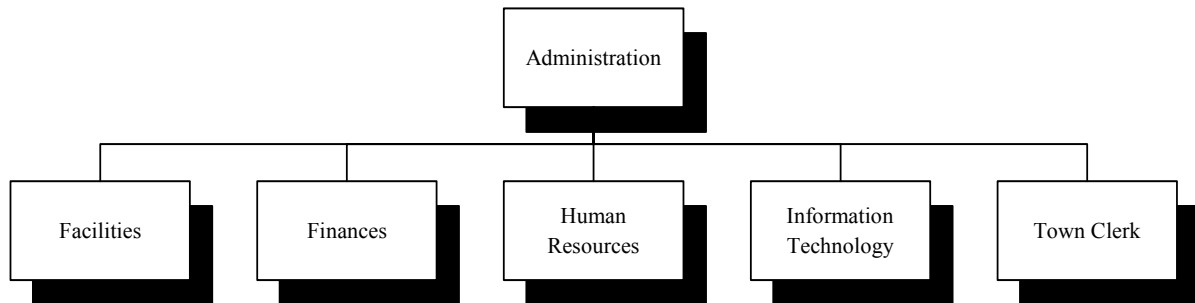
Administration

Information Technology





Administration



Mission Statement

The Administration Department is dedicated to serving the citizens of Fountain Hills by providing accurate and current information on Council legislation and administrative actions; supporting the Town of Fountain Hills and its departments; providing for the delivery of comprehensive financial services to internal and external customers; protecting the integrity of Town assets; maintaining Town facilities; and delivering the finest municipal services to ensure the highest quality of life for Fountain Hills residents.

Department Description

The Administration Department provides all administrative services for the Town including: town manager; town clerk; human resources; finance; risk management; facilities; information technology; legal; council, operational and community support.

Performance Standards

- Process zoning-approved business license applications within 2 working days, peddlers license applications within 10 working days.
- Respond to all citizen inquiries within the same working day.
- Present a customer friendly and helpful attitude to all callers and visitors to Town Hall.
- Serve the public as a source of reliable information on Town Council legislation and actions and insure the preservation of legal documents.
- Perform all duties required to conform to the Arizona Open Meeting Law.
- Conduct elections in accordance with current state law and facilitate the public's ability to vote.
- Coordinate and compile agenda packets prior to Town Council meetings; prepare Council meeting minutes within 10 working days and process resolutions and ordinances on a timely basis.
- Update the Town Code on a regular basis to reflect legislation enacted by the Council.



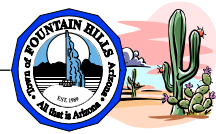
- Provide monthly budget reports prior to the end of the month.
- Perform daily deposits, enhance the financial position of the Town and protect the integrity of its assets.
- Maintain the Town's "Certificate of Achievement for Excellence in Financial Reporting".
- Update Town policies and procedures to stay current with local, state and federal law.
- Provide a comprehensive personnel program based on merit principles administered in compliance with applicable local, state, and federal laws.
- Administer and coordinate all employee-related programs and benefits.
- Provide and maintain safe and accessible municipal facilities.

Management Indicators

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
Council Meetings	41	43	45
Resolutions/Ordinances	56/30	45/18	40/15
Business Licenses New/Renewals	419/1,303	471/1,432	490/1,500
Peddlers Licenses New/Renewals	8/2	3/2	4/2
Alarm Licenses New/Renewals	11/14	3/15	2/16
Liquor Licenses Including Special Event and Extension of Premise Licenses	20	12	14
Primary Election Ballots Cast/Counter Voters	---	4,472/300	---
General Election Ballots Cast/Counter Voters	---	3,793/416	---
Special Elections Ballots Cast/Counter Voters	4,656/396	---	4,000/350
Adopt-A-Street Commercial/Residential	63/57	62/57	65/58
Special Events	18	9	8
Certificate of Achievement for Excellence in Financial Reporting Award	4 th year	5 th year	6 th year
Invoices/Accounts Payable Checks	6,577/2,753	11,241/3,150	10,500/3,000
Requisitions/Purchase Orders	4,350/300	5,800/300	5,700/280
Sales Tax Recovered	21,000	56,801	60,000
Claims Managed	8	10	12
Facilities Repair and Maintenance Requests	---	440	480
Recruit and Process New Hires/Terminations	---	38/39	35/36

Fiscal Year 2001-2002 Accomplishments

In the first eleven months of the fiscal year, the Administration Department accomplished the following:



- Supplied support services for the Adopt-A-Street program consisting of 57 residential streets and 62 commercial streets.
- Provided support services to the McDowell Mountain Preservation Commission, the Shuttle Service, the Mayor's Council for Business Growth, the Community Center Advisory Commission and the Traffic Standards Committee.
- Administered the March 12 and May 21, 2002 elections, coordinating and assisting 716 citizens with early counter voting at Town Hall.
- Codified 15 ordinances and 40 resolutions.
- Processed 471 new business licenses (419 last year) and 1,432 renewals (1,303 last year).
- Processed 12 liquor license applications (20 last year) including 7 liquor licenses (13 last year), 5 special event liquor licenses (3 last year) and 2 extension of premise applications (2 last year).
- Processed 9 special event requests (18 last year).
- Processed 3 new peddler licenses (8 last year), 2 renewals (2 last year), 3 new alarm permit applications (11 last year) and 15 renewals.
- Received the Certificate of Achievement for Excellence in Financial Reporting from the Government Finance Officers Association of the United States and Canada for excellence in the preparation of the Town's comprehensive annual financial reports (CAFR) for the fifth year in a row.
- Prepared for the annual audit that resulted in unqualified audit opinion.
- Coordinated sales tax audits identifying/recovering more than \$56,801 in sales tax revenues.
- Provided staff support for the Risk Control Manager and Sales Tax Auditor.
- Coordinated loss control activities and managed 10 claims.
- Through May 2002, processed 10,341 invoices (6,577 last year); 2,934 accounts payable checks (2,753 last year); 5,800 requisitions (4,350 last year); and 271 purchase orders (300 last year); all accounting transactions processed timely and accurately resulting in minimal payment errors.
- Recruited, interviewed and processed 38 new employees. Conducted exit interviews and processed 39 employees leaving the service of the Town.
- Conducted extensive research and prepared an updated pay resolution for employees.
- Served as point of contact for the Town during the completion of the new Community Center and Library, coordinating communication for ongoing issue resolution.
- Wrote and organized the program for the grand opening of the Community Center and Library/Museum complex.
- Managed the grant application process and assembled citizen committees to review and recommend distribution of LTAF monies and Community Benefit Program funds.
- Assisted the Town Marshal with the annual awards banquet.
- Organized, designed, constructed and manned the Town's booth at the League of Cities and Towns Conference Festival.
- Provided staff support, packet materials, documentation and minutes for 43 Council meetings.
- Cleared over 440 requests for facility related service and repairs.
- Completed installation of the emergency power supply generator for the Public Safety Building.
- Performed roof replacement/repair to Town Hall Buildings A, B, C and the Theater.



- Constructed two parking canopies for the Public Safety Building.
- Implemented a permit parking plan to enhance Town vehicle safety.
- Directed and completed systems training for the new Town Center buildings.
- Met tight deadlines in preparing the Town Center building for the grand opening.
- Implemented the facility maintenance plan for the new Town Center buildings.
- Installed emergency lighting system in Building A to meet standards in Buildings B and C.
- Helped plan and renovated 4,700 square feet of Building C to create new activity space for the Senior Center. In-house staff performed much of the work, reducing cost.
- Replaced two underground electric service conduits to restore parking lot lighting east of Building C.
- Restored fueling station project at Fire Station #1, retrofitted for Town and Fire Department fleet use, resulting in reduced fuel costs.
- Coordinated public question and answer sessions with FAA/Landrum & Brown regarding local air traffic issues.
- Provided staff support/participation in 9/11 ceremonies sponsored by the Town.
- Provided staff support for outside consultants used for the law enforcement study, town manager search, etc.
- Assisted the interim town managers with daily operations in the absence of a permanent town manager.

Fiscal Year 2002-2003 Objectives _____

- Explore “no cost” ways to increase the public's access to public records and information through the Internet and plan for future implementation in areas where funds are required.
- Implement a policy and fee structure for alcohol related licensing activities and public record duplication.
- Review and update the Town Code to reflect and include recent legislation and changes in the community.
- Convert the filing system to a numeric system.
- Formulate written policies and procedures for major administrative functions.
- Develop and implement an investment policy for the Town.
- Prepare the annual budget for submission to GFOA.
- Analyze and inventory fixed assets, specifically infrastructure.
- Review and update internal controls.
- Formulate implementation plan for new financial reporting model GASB (Government Accounting Standards Board) 34 for fiscal year 2002 and 2003.
- Continue updating the employee manual.
- Continue preparing for the implementation of a pre-employment drug-testing program.
- Enact the necessary ordinance to enable Human Resources to obtain state and federal criminal record checks on prospective new hires for the Town.
- Create an ongoing series of articles for the Compass to educate citizens on business, peddler and alarm licensing procedures and requirements; Administrative operations, functions and responsibilities; and appropriate topics to increase citizen awareness and understanding of Town government.



- Re-assess current procedure of notifying businesses regarding licensing requirements and explore ways to update the renewal process.
- Create an in-house brochure/pamphlet outlining services and helpful information, assisting citizens and visitors to find their way around Town government.
- Create a format for a “Town Page” to help keep citizens informed and plan for possible implementation in future fiscal years when funds are available.
- Coordinate an annual onsite workshop for Town staff that provides notary services to the public to keep them current on changing laws and proper procedures.
- Develop and implement a cost analysis program for tracking expenditures of each Town-owned facility maintained by Administration.
- Develop a fuel accountability tracking system for accounting, utilizing new software provided for fuel pump management.



Summary Expenditures - Administration

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$654,308	\$805,400	\$805,250	\$1,080,700
CONTRACTUAL SERVICES	\$869,836	\$1,420,200	\$992,300	\$842,500
REPAIRS & MAINTENANCE	\$71,925	\$73,900	\$79,000	\$119,000
SUPPLIES & SERVICES	\$663,001	\$808,200	\$774,100	\$1,106,200
CAPITAL EXPENDITURES	\$149,137	\$167,800	\$154,300	\$0
TOTAL EXPENDITURES	\$2,408,207	\$3,275,500	\$2,804,950	\$3,148,400

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Administration			
Town Manager	1.00	1.00	1.00
Undesignated Position	0	1.00	2.00
Director of Administration/Town Clerk	1.00	1.00	1.00
Supervisor/Accounting	1.00	1.00	1.00
Information Technology Administrator	1.00	1.00	1.00
Information Technology Intern	0.50	0.50	0.50
Accountant	1.00	1.00	0
Accounting/HR Clerk	0.50	0.50	1.00
Administrative Intern	0.50	0.50	0.50
Assistant to Town Manager/Mayor/Council	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00
Human Resources Administrator	1.00	1.00	1.00
Information Technology Support Specialist	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Facilities Operations Supervisor	1.00	1.00	1.00
Maintenance/Custodial Worker	1.00	1.00	1.00
Custodian	1.00	2.50	2.00
Clerk Typist/Receptionist	1.00	1.00	1.00
Authorized FTE	15.50	18.00	18.00



Salaries and Benefits

\$1,080,700

These funds provide salary and employee related expenses for 13 full time positions including the town manager, a new undesignated position, and the department head, as well as accounting, human resources, information technology, facilities and support staff. It also provides the salaries of 5 part-time positions including interns, custodians and support staff. The increase is due to rising health costs and the undesignated position.

Contract Services

\$842,500

These funds provide for outside contracts that supply specialized functions for the Town in the areas of accounting, auditing, human resources, interim services and miscellaneous consulting services. When available, these funds also support community services including special programs, community benefits, and the school district.

Accounting Fees and Professional/Outside Services

\$100,500

Accounting fees (\$18,000) provides for the auditor to perform the annual audit, assist with the Comprehensive Annual Financial Report and the conversion to the new Financial Reporting Model. The increase is primarily due to the expiration of the auditor's three-year contract and the addition of fire and emergency medical services.

Professional/outside services (\$82,500) include a \$24,000, three-year contract with the sales tax auditor who has recovered \$305,000 since 1996. Funds are included in the amount of \$8,875 for the outside payroll service and employee related requirements such as substance abuse and pre-employment testing, CDL physicals and shots. Also included are \$7,500 financial consultant fees to assist with the GASB 34 preparation, accounting policies and procedures and secure purchasing card system. Miscellaneous consulting fees in the amount of \$19,625 are included for any special projects/studies/surveys the Council may identify throughout the year with an additional \$22,500 included for interim manager fees for July and August.

Legal Fees/Court Related Fees

\$507,800

Legal fees fund the services of the town attorney, town prosecutor and the as needed services of employment, bond and other specialized attorneys as follows:

Town attorney (95% administration, 5% street fund)	\$136,800
Town prosecutor	\$100,000
Public defender fees	\$ 5,000
Employee retirement, IRS compliance	\$ 5,000
Bond counsel	\$ 5,000
Employment issues	\$ 3,000
Litigation (BNY, Merrill Lynch, Fire District)	<u>\$215,000</u>
Total	\$469,800

The Town pays per diem charges to Maricopa County and the City of Scottsdale for prisoners sentenced in the Fountain Hills Magistrate Court. Based on the decreased activity in the court, the funding level of \$38,000 is requested.



Community Services

School District, Community Benefits, and Special Programs \$170,200

The Town of Fountain Hills has traditionally supported the community in a variety of ways through the School District, the Community Benefit Program and Special Programs. Each year, various groups have submitted funding requests to be considered in the budget. All requests have been summarized below. The Community Benefit Program includes funds to assist non-profit organization with projects that benefit the community. A citizen committee reviews all requests and makes a recommendation to the Council for distribution in the fall.

Special Programs are annual, “line item” requests from organization whose programs, services and functions benefit a broad and diverse base of the community. All items relating to transportation including the Special Transportation Services van and shuttle, the subsidized taxi program and new charges for Valley Metro have been removed from Special Programs. They will be funded through the LTAF II funds that must be used specifically for transportation.

Community Services Summary

<u>Organization</u>	<u>Awarded 2001-2002</u>	<u>Awarded 2002-2003</u>
School District	50,800	17,200
Community Benefit Program	80,000	0
Chamber of Commerce	18,500	4,500
(Thanksgiving Day Parade, Holiday Stroll luminaries)		
McDowell Mountain Preservation	24,500	500
(Video, McDowell Mountain Month, advertising, printing, and travel. The remaining \$15,000 that appears in their request for trailhead design and study will be funded with preservation sales tax revenues.)		
Substance Abuse Prevention/Intervention	47,000	8,000
(Town-sponsored program including education, referral services, treatment scholarships – reduced base on actual expenditures. The School District contributes \$8,000 to the program.)		
Senior Services	34,500	40,000
(Programming and operational expense)		
Boys and Girls Club-Operations	50,000	50,000
(Programming and operational expense)		
Boys and Girls Club-Capital	50,000	50,000
(This request is needed as part of a three year capital contribution towards the new youth center. A grant will be lost without this match.)		
Total Community Supplemental Requests	\$355,300	\$170,200



Additional expenditures under Contract Services include \$1,500 for the Civil Defense agreement with Maricopa County and an estimated \$62,500 for sales tax rebates payable to Target per the development agreement.

Repairs and Maintenance

\$119,000

This section of the budget funds vehicle maintenance, office equipment maintenance contracts and all expenditures dealing with maintaining and operating Town facilities except minor maintenance and cleaning of the Community Center, Theater and fire stations. Funding levels for the two administration vehicles and the office equipment are the same or less than last year. The major increase is found in building repairs and maintenance and attributed to the consolidation of the majority of all Town-owned facilities in one budget rather than separate budgets or line items.

Budgeted amounts are based on previous experience for actual operational and maintenance expenditures for the Town Center Complex (the Community Center and Library/Museum), Town Hall Buildings A, B and C and major repairs that may be needed at the Theater building, the two fire stations, and the Kiwanis Building. The breakdown is as follows:

Town Hall monthly preventive maintenance on the HVAC systems	\$11,100
Town Center monthly preventive maintenance on the HVAC system	\$17,750
HVAC repairs	\$13,000
Outside services (electrical, plumbing, roof maintenance, trash services, recycling, exterminating, door maintenance, etc.)	\$52,150
Custodial supplies and equipment, paper and sanitation supplies, building maintenance supplies, fire extinguisher maintenance, etc.	<u>\$ 8,000</u>
Total	\$102,000

Supplies and Services

\$961,200

Daily Operation Expense

\$99,200

These expenses support the daily operations of the department including statutory and informational advertising, employee training, dues and publications, postage expense for all departments, printing, travel, gas and oil, office supplies, bank charges and uniforms. Advertising was increased by \$2,000 to accommodate special ads run by the Town for Council purposes. Conferences were reduced to include only the Council attendance of the annual League Conference and professional conferences attendance. Dues and publications include annual Town memberships in organizations such as the Arizona League of Cities and Towns, Maricopa Association of Governments, the International City Manager's Association, Sister Cities, Chamber of Commerce and other professional organizations. Postage, that includes postal expense for all departments, was adjusted to accommodate the rate increase. Uniforms for the custodial staff are a new line item and bank charges were increased to reflect the current rates for services. Office supplies remains at a consistent level and covers a vast array of items including copy paper for all departments, award programs, equipment supplies, office supplies, paper supplies, office furniture, water service, and interior signage. All other line items remain the same or have been reduced.



Facility Related Expense

\$813,000

The remaining supplies and services are directly related to facilities expenses and insurance. The increase in rent expense is due to the annual 4% adjustment and the decrease in revenue received from the Maricopa County Sheriff's Office. (The fiscal year 2002-2003 law enforcement contract calls for full cost recovery from contract cities and towns, requiring reimbursement for rent expense.) Utilities have been increased due to the consolidation of multiple facilities into two line items. The breakdown is as follows:

Town Hall Rent*	\$620,300
Electricity:	
Town Hall	\$122,000
Library/Museum	\$ 45,000
Kiwanis Building	<u>\$ 3,700</u>
Total	\$170,700
(Rural Metro and the Community Theater pay for their own electricity.)	

Water/Sewer	
Town Hall	\$ 16,200
Library/Museum	\$ 5,000
Kiwanis Building	<u>\$ 800</u>
Total	\$ 22,000
(Rural Metro and the Community Theater pay for their own water/sewer.)	

Insurance

\$194,000

An amount of \$194,000 is budgeted for the General Fund portion of liability insurance. This includes a 4.7% increase for current coverage plus the fire station buildings and equipment and miscellaneous endorsements for any other new vehicles and equipment.

*This amount includes \$375,300 for rent, \$100,000 for 2002/2003 property taxes, and \$145,000 for back taxes.



ADMINISTRATION				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	532,005	662,900	654,000	860,000
FICA	11,334	15,800	14,050	18,200
Unemployment Insurance	965	1,000	1,000	1,000
Employee's Health Insurance	43,113	42,400	53,900	78,100
Employee's Life Insurance	528	1,100	650	900
Employee's Dental Insurance	5,533	6,600	6,650	8,400
Employee's Eye Insurance	1,188	1,900	1,400	1,900
Worker's Compensation Insurance	3,731	5,300	4,600	6,800
Employee's Retirement Fund	53,798	64,500	66,800	86,900
Recruitment Costs	0			15,000
Disability Insurance	2,113	3,900	2,200	3,500
TOTAL	\$654,308	\$805,400	\$805,250	\$1,080,700
CONTRACT SERVICES				
Accounting Fees	12,918	12,800	13,000	18,000
Professional/Outside Services	79,643	79,000	100,000	82,500
IGA's (School District)	50,800	50,800	50,800	17,200
Legal Fees	358,253	500,000	425,000	469,800
Litigation and/or Land Use Professional	285	25,000	500	0
Jail/Prisoner Fees	28,998	40,000	35,000	38,000
Community Benefit Programs	80,000	80,000	80,000	0
Chamber of Commerce	6,690	18,500	15,000	4,500
Civil Defense	1,415	1,500	1,500	1,500
Red Cross Transportation	0	21,600	0	0
Public Transit /RPTA	0	33,000	0	0
Transfare	0	20,000	0	0
Downtown Partnership	47,971	282,000	0	0
Tourism/Marketing	55,000	100,000	70,000	0
McDowell Mtn Preservation	3,519	24,500	5,000	500
Drug Rehabilitation Counseling	9,844	47,000	12,000	8,000
Sales Tax Rebates	0	0	0	62,500
Senior Center Services	34,500	34,500	34,500	40,000
Boys & Girls Club	100,000	50,000	100,000	100,000
TOTAL	\$869,836	\$1,420,200	\$942,300	\$842,500
REPAIRS & MAINTENANCE:				
Vehicle Maintenance	507	2,500	1,000	1,000
Building Repairs & Maintenance	59,543	55,400	65,000	102,000
Office Equipment Repairs	11,875	16,000	13,000	16,000
TOTAL	\$71,925	\$73,900	\$79,000	\$119,000



SUPPLIES & SERVICES:				
Advertising	10,452	9,000	12,000	11,000
Conferences	11,972	17,500	12,000	8,900
Education/Training	1,958	11,700	2,500	5,000
Dues & Publications	27,693	24,400	30,000	16,100
Travel	2,709	4,000	4,000	1,500
Gas & Oil	914	4,000	1,500	1,300
Office Supplies	25,692	38,000	33,000	30,000
Postage	14,551	16,300	16,300	17,200
Printing	2,272	7,400	3,500	4,500
Uniforms	623	0	750	2,200
Bank Charges	1,539	800	1,800	1,500
Rent Expense	270,356	354,500	326,750	620,300
Electricity	98,032	128,000	125,000	170,700
Water/Sewer	13,362	15,000	15,000	22,000
Liability Insurance	180,876	177,600	190,000	194,000
TOTAL	\$663,001	\$808,200	\$774,100	\$1,106,200
CAPITAL EXPENDITURES				
Capital Outlay-Furniture/Equip	71,031	74,300	74,300	0
Capital Improvements-Town Hall	78,106	93,500	80,000	0
TOTAL CAPITAL EXPENDITURE	\$149,137	\$167,800	\$154,300	\$0
TOTAL EXPENDITURES	\$2,408,207	\$3,275,500	\$2,754,950	\$3,148,400



Information Technology

Mission Statement

The mission of the Information Technology Department is to work in partnership with the Town staff, facilitating their use of computing, telephone, and network technologies. The department endeavors to provide excellent support services and infrastructure to enable and encourage staff to effectively use technology resources to achieve their departmental missions and strategic goals.

Department Description

Information Technology (I/T Department) functions are part of the Administration Department. Responsibilities include management and budgetary responsibilities for the Town's computers, local and wide-area networks, inter-networking, voice and data communications systems, and cablecast technologies. This budget uses a project-based format with associated costs summarized by department. All hardware and software requests in this section are based on departmental requests.

Performance Standards

- Ensure that evaluations, approvals and purchases of IT products are performed to consistent standards.
- Improve the availability of evaluated IT products.
- Serve as a focal point for strategic change with enabling technology.
- Act as technology consultants and coordinators for Town departments to aid in identification, selection, and implementation of technology driven or assisted needs.
- Develop enterprise-wide technology architecture to drive standards that enable information sharing and maximize return on technology investments.
- Provide strategic IT services and serve as an enabler to improve the delivery of Town services and improve the efficiency, productivity, and financial performance of Town operations.

Management Indicators

	2001–2002 Estimated	2001–2002 Projected	2002– 2003 Projected
Documented Service Requests	761	825	>1000



Fiscal Year 2001-2002 Accomplishments _____

- Opened the Fountain Hills Community Center, integrating voice and data services for staff via a wide area network (WAN) link to Town Hall. Department staff designed and implemented customer accessible, high speed networking and telephone systems for users of the new community center while maintaining the security and integrity of internal systems
- Assisted with the transition and integration of the former Fire District's voice and data systems to the Town and facilitated the implementation of a new Fire Department Records management system.
- Established voice services to the Parks office at Fountain Park.
- Relocated the Network Operations Center (NOC) to Building B to allow the Town's network servers to be protected from power outages by attachment to the emergency generator.
- Worked with Cox Communications to upgrade the FH Channel 11 connection to fiber optics improving the quality of the transmission signal.
- Provided web development support of the Building Safety department enabling Plan Review status to be checked via the Internet.
- Continued the expansion of the Town's web site with the addition of new departments and new content.
- Purchased portable audio reinforcement equipment for use at remote council meetings resulting in a first year savings of more than \$2,300.
- Completed the platform upgrade of the Town's local area network (LAN) to Windows 2000.
- Facilitated numerous interviews and meetings utilizing the VTel Video Conferencing equipment obtained by the federally funded MAG Regional Video Conferencing project. Department staff continues to serve on the MAG committee that developed the project.

Fiscal Year 2002-2003 Objectives _____

- Support and assist Town staff with technology needs.
- Continue to explore options and trends in technology that may improve services and result in greater cost efficiencies.
- Develop new, and update existing policies and procedures.
- Maintain or exceed current service levels without increasing costs.



Summary Expenditures – Information Technology

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
CONTRACTUAL SERVICES	\$11,033	\$65,600	\$29,000	\$33,000
REPAIRS & MAINTENANCE	\$41,428	\$51,425	\$45,000	\$53,255
SUPPLIES & SERVICES	\$59,594	\$97,590	\$74,400	\$98,300
CAPITAL EXPENDITURES	\$48,181	\$86,575	\$50,500	\$0
TOTAL EXPENDITURES	\$160,236	\$301,190	\$198,900	\$184,555



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INFORMATION TECHNOLOGY					
	4/30/2002	2001-2002	2001-2002	2002-2003	
CONTRACT SERVICES	Year-to-Date	Budget	Rev. Estimate	Dept. Request	
Professional/Outside Services	675	47,600	15,000	15,000	
Video Tape Council Meetings	10,358	18,000	14,000	18,000	
TOTAL	\$11,033	\$65,600	\$29,000	\$33,000	
REPAIRS & MAINTENANCE:					
Computer Repairs & Maintenance	41,428	51,425	45,000	53,255	
TOTAL	\$41,428	\$51,425	\$45,000	\$53,255	
SUPPLIES & SERVICES:					
Conferences	1,171	2,300	1,200	2,300	
Education/Training	1,015	6,500	1,200	6,500	
Dues & Publications	1,297	1,000	1,500	10,000	
Office Supplies	2,727	8,030	3,000	1,500	
Communications	53,384	79,760	67,500	78,000	
TOTAL	\$59,594	\$97,590	\$74,400	\$98,300	
CAPITAL EXPENDITURES					
Capital Outlay - Computers	44,168	56,900	45,000	0	
Capital Outlay - Software	2,990	25,475	3,000	0	
Capital Outlay - Communications	1,023	4,200	2,500	0	
TOTAL CAPITAL EXPENDITURE:	\$48,181	\$86,575	\$50,500	\$0	
TOTAL EXPENDITURES	\$160,236	\$301,190	\$198,900	\$184,555	



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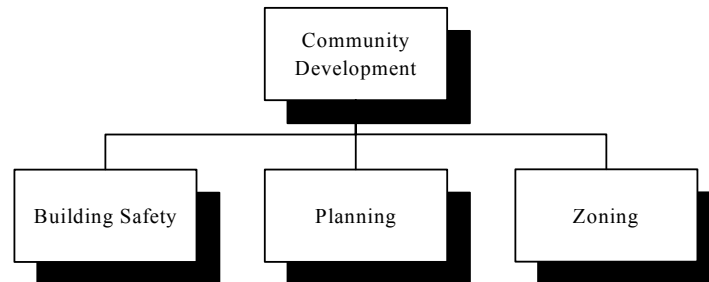
Community Development

Building Safety





Community Development



Mission Statement

The Community Development Department is dedicated to enhancing the quality of life in Fountain Hills through innovative planning techniques and providing exceptional customer service in a professional and timely manner.

Department Description

The Community Development Department processes applications for General Plan amendments, area specific plans, special use permits, rezonings, subdivisions, variances, and other land use matters. The department provides staff support to the Town Council, Planning and Zoning Commission, Board of Adjustment, and the McDowell Mountain Preservation Commission. Other service areas are census tracking, on-site inspections, and code enforcement. The Community Development Department represents the Town at intergovernmental meetings and at Maricopa Association of Governments, boards, special interest, and neighborhood groups.

Performance Standards

- Perform first review plan checks within 10 working days and subsequent plan reviews in 5 working days.
- Identify all plan review concerns in the first check.
- Provide a customer friendly environment for citizens to access the services of the department and process the needed applications.
- Provide thorough subdivision technical review comments at the subdivision technical review committee meetings.
- Provide clear direction and suggestions to applicants at concept plan review and pre-application meetings.
- Provide clear and objective staff recommendations to the Planning and Zoning Commission, Town Council and the appropriate advisory commissions.
- Respond to all citizen inquiries within the same working day.
- Treat all people with the utmost respect.



- Keep the Council and appropriate commissions informed of new Supreme Court rulings concerning land use matters.
- Provide educational opportunities to all Council members, commissioners, and staff on pertinent and evolving land use matters.
- Identify and correct any and all land use ordinance conflicts.
- Assure that the Council approved ordinances are upheld within the Town.

Management Indicators

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
Cases Processed			
Subdivisions			
Re-plats	4	7	16
Lots	75	532	415
Condominium Units	191	205	400
Re-zonings	2	5	3
Text Amendments	12	21	25
Special Use Permits	12	10	10
Temporary Use Permits	12	4	5
Building Plan Review	1,024	1,000	900

Fiscal Year 2002-2002 Accomplishments

In the first ten months of fiscal year 2001-2002, the Community Development Department accomplished the following:

- Processed the Shea Retail Center preliminary and final plats.
- Provided extensive support to the town manager and town attorney on the Eagles Nest and Eagle Ridge North development areas.
- Processed the preliminary plats for the Eagles Nest and Eagle Ridge North subdivisions, which will ultimately yield 415 lots and tracts.
- Continued to assist the McDowell Mountain Preservation Commission and the Town Council identify and acquire those lands desired for acquisition in the McDowell Mountains of Fountain Hills.
- Prepared and submitted applications to the State Land Department for the Town's acquisition of the State land parcel, and to the State Parks Department for a Growing Smarter State Trust Land Acquisition Program.



Fiscal Year 2002-2003 Objectives _____

- Complete the final plat review for the proposed Eagles Nest and Eagles Ridge North subdivision applications.
- Implement the Town Council's vision in developing a vibrant, pedestrian-oriented town center.
- Continue to staff the Town of Fountain Hill's activities regarding the acquisition of the State land parcel and the Town's efforts to acquire funding for this acquisition through the Growing Smarter State Trust Land Acquisition Program.
- Identify the diversity of housing desired in the community while encouraging fair share equal housing opportunities.
- Identify attractive sites and develop the implementing ordinances to encourage greater hospitality industry development.
- Implement a State-mandated update of the General Plan to fulfill the goals and objectives of the community.
- Provide staff educational opportunities to best serve the community with the highest level of expertise in the community development field.
- Prepare a sign inventory database to help improve compliance with the sign ordinances.

**Summary Expenditures – Community Development**

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$230,520	\$307,730	\$271,800	\$376,010
CONTRACTUAL SERVICES	\$0	\$25,000	\$5,000	\$5,000
REPAIRS & MAINTENANCE	\$288	\$100	\$400	\$500
SUPPLIES & SERVICES	\$30,212	\$50,250	\$36,550	\$28,000
CAPITAL EXPENDITURES	\$23,445	\$23,000	\$23,500	\$0
TOTAL EXPENDITURES	\$284,465	\$406,080	\$337,250	\$409,510

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Community Development			
Director of Community Development	1.0	1.0	1.0
Senior Planner	1.0	2.0	2.0
Planner	1.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0
Administrative Assistant	0.0	0.5	1.0
Authorized FTE	4.0	5.5	6.0



Salaries and Benefits

\$376,010

The Community Development Department is currently reviewing and assessing its positions and areas of responsibility. To insure uninterrupted service, various options of delegation and authority are being considered. This may result in a request for new positions in the future. Currently, these funds provide salary and employee related expenses for the interim director, two senior planners, a planner, an executive assistant, and an administrative assistant.

Contractual Service

\$5,000

Professional services beyond the expertise or time availability of the “in-house” staff are occasionally required. The department was granted \$5,000 for consulting services for unforeseen needs.

Repairs and Maintenance

\$500

This includes regular service and maintenance for the two department vehicles and repairs to office and field equipment.

Supplies and Services

\$28,000

Funds are included for advertising, including the General Plan, signage, conferences, education and training, dues and publications, gas and oil, office supplies, printing, communication expenses, travel, and uniforms.



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COMMUNITY DEVELOPMENT				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	190,289	252,300	224,000	288,600
FICA	3,513	4,810	4,250	4,230
Unemployment Insurance	313	300	350	300
Employee's Health Insurance	13,673	18,260	16,650	43,600
Employee's Life Insurance	176	450	200	360
Employee's Dental Insurance	1,823	2,760	2,100	4,310
Employee's Eye Insurance	401	810	450	860
Worker's Compensation Insurance	348	540	450	710
Employee's Retirement Fund	19,264	25,780	22,500	31,740
Disability Insurance	720	1,720	850	1,300
TOTAL	\$230,520	\$307,730	\$271,800	\$376,010
Professional Fees	\$0	25,000	5,000	5,000
TOTAL	\$0	\$25,000	\$5,000	\$5,000
REPAIRS & MAINTENANCE:				
Vehicle Repairs & Maintenance	288	100	400	500
TOTAL	\$288	\$100	\$400	\$500
SUPPLIES & SERVICES:				
Advertising/Signage	7,617	15,000	10,000	9,000
Conferences	6,172	7,000	7,300	0
Education/Training	1,078	3,000	1,200	1,000
Dues & Publications	2,463	4,000	2,500	4,000
Gas & Oil	662	1,000	2,000	1,800
Office Supplies	6,529	7,000	7,000	5,000
Printing	4,470	10,000	5,000	6,000
Communication	654	500	750	500
Travel	314	2,500	500	500
Uniforms	79	250	100	100
Bank Charges	174	0	200	100
TOTAL	\$30,212	\$50,250	\$36,550	\$28,000
CAPITAL EXPENDITURES				
Capital Expenditures - Vehicles	23,445	23,000	23,500	0
Capital Expenditures - Improvements	0	0	0	0
TOTAL CAPITAL EXPENDITURE	\$23,445	\$23,000	\$23,500	\$0
TOTAL EXPENDITURES	\$284,465	\$406,080	\$337,250	\$409,510



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Building Safety

Mission Statement _____

The Building Safety Department is dedicated to providing the highest quality construction permits, plan review, and building inspection services in a responsive and friendly manner.

Department Description _____

The Building Safety Department processes applications for permits to construct buildings, fences, pools, and any other structures. The department serves as a receiving and processing center for interdepartmental review of these plans. The department's review and inspection staff includes a building official, a certified residential plans examiner, a plans examiner/certified building inspector and three certified building inspectors to assure compliance with the adopted building codes of the Town. The Building Safety Department also issues numerous reports concerning building activity to other public agencies.

The Building Safety Department anticipates that it will process building permit applications and perform inspections at approximately 2,500 building sites in fiscal year 2002-2003. Most of the department's activity will be concentrated in the developing portions of Firerock Country Club, Crest View, Palatial Estates, Eagle's Nest, Eagle Ridge North, and Town Center. While the number of building permit applications is expected to decrease in fiscal year 2002-2003, the department expects the same levels of construction inspection activity due to on-going construction projects that have been permitted in fiscal year 2001-2002, and new residential and commercial projects permitted early in fiscal year 2002-2003.

Performance Standards _____

- Perform first review plan reviews within 10 working days, and subsequent plan reviews in 5 working days.
- Identify all plan review concerns in the first review.
- Perform all requested inspections within 24 hours.
- Provide a customer friendly environment for citizens to access the services of the department and process the needed applications.
- Continue to have building permits and site plans of all building permits over one year old scanned and stored on compact discs.
- Respond to all citizens inquires within the same working day.



Management Indicators

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
Building Permit Activity			
• Single-Family	326	227	150
• Multi-Family	163	74	215
• Commercial	37	8	10
• Pools & Fences	452	305	250
• Other	440	402	300
Building Counter Activity	n/a	600	525
On-Site Inspection	18,480	14,560	15,000

Fiscal Year 2001-2002 Accomplishments

Projected from figures based on first eight months of fiscal year 2001-2002, the Building Safety Department accomplished the following:

- Reviewed 838 building plans and permit applications.
- Performed 11,700 commercial and residential building inspections.
- Provided technical assistance in the design and construction of the library, museum and community center project.
- Overhauled and improved the building permit application process to expedite building plans through the required departmental reviews.
- Continued scanning archived site plans into electronic format to provide records service to the community.
- Maintained an automated building permit system to better enhance customer service and reduce paper work.

Fiscal Year 2002-2003 Objectives

- Provide staff educational opportunities to best serve the community with the highest level of expertise in the building safety field.
- Provide highly trained and qualified team of plan examiners, building inspectors and building permit technicians.
- Provide the department with the latest electronic information storage and retrieval system.
- Reduce the massive storage facilities presently utilized by the department.
- Present a more professional image to our customers.
- Maintain high workplace safety standards in the field and in the office.



Summary Expenditures – Building Safety

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$337,817	\$462,700	\$406,100	\$454,600
CONTRACTUAL SERVICES	\$80,942	\$100,000	\$85,000	\$25,000
REPAIRS & MAINTENANCE	\$1,997	\$6,000	\$2,500	\$2,500
SUPPLIES & SERVICES	\$16,863	\$40,350	\$23,100	\$19,600
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$437,619	\$609,050	\$516,700	\$501,700

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Building Safety			
Chief Building Official	1.0	1.0	1.0
Plans Examiner	1.0	2.0	2.0
Building Inspector	2.0	1.0	1.0
Building Permit Technician	2.0	2.0	2.0
Senior Building Inspector	2.0	2.0	2.0
Building Safety Clerk	1.0	1.0	0.0
Authorized FTE	9.0	9.0	8.0



Salaries and Benefits

\$454,600

This department is fully staffed and requires no additional personnel.

Contractual Services

\$25,000

The level of commercial activity in Fountain Hills is not sufficient to justify a commercial plans examiner. When commercial building plans are submitted for review, or when the residential plan check or inspection load exceeds the department's ability to maintain its turn-around goals, outside consulting firms are used. The Town currently has contracts with Wildan Associates, PDS, G.P. Engineering, P.C., Stantec, and Kelly P. Reynolds and Associates. Included in this budget are funds to continue scanning and recording the inactive permit files to CDs.

Repairs and Maintenance

\$2,500

Regular service and maintenance for the five departmental vehicles and repairs to office and field equipment funds is included.

Supplies and Services

\$19,600

Included in this category are publishing code modifications, conferences, required continual training, dues and publications, gas and oil, office supplies, tools, printing, travel, and uniforms.



BUILDING SAFETY				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	273,888	375,500	329,000	352,000
FICA	3,570	5,500	4,400	5,100
Unemployment Insurance	579	400	600	300
Employee's Health Insurance	23,027	28,100	27,900	46,800
Employee's Life Insurance	312	700	365	500
Employee's Dental Insurance	3,271	4,600	3,850	5,300
Employee's Eye Insurance	595	1,100	685	1,000
Worker's Compensation Insurance	1,882	2,900	2,300	3,300
Employee's Retirement Fund	29,565	41,300	35,700	38,700
Disability Insurance	1,128	2,600	1,300	1,600
TOTAL	\$337,817	\$462,700	\$406,100	\$454,600
CONTRACT SERVICES				
Professional Fees	80,942	100,000	85,000	25,000
TOTAL	\$80,942	\$100,000	\$85,000	\$25,000
REPAIRS & MAINTENANCE:				
Vehicle Maintenance	1,997	5,500	2,500	2,500
Equipment Maintenance	0	500	0	0
TOTAL	\$1,997	\$6,000	\$2,500	\$2,500
SUPPLIES & SERVICES:				
Advertising	1,672	650	1,800	1,000
Conferences	2,027	3,500	3,500	0
Education/Training	300	4,000	500	1,000
Dues & Publications	1,265	2,800	1,500	2,000
Gas & Oil	3,814	7,500	4,000	4,000
Office Supplies	3,181	6,000	3,500	4,000
Tools, Shop Supplies	102	1,000	200	500
Printing	210	3,000	1,000	1,000
Communications Expense	3,040	7,500	4,500	4,500
Travel	998	2,000	2,000	500
Uniforms	250	2,400	500	1,000
Bank Charges	4	0	100	100
TOTAL	\$16,863	\$40,350	\$23,100	\$19,600
CAPITAL EXPENDITURES				
TOTAL CAPITAL EXPENDITURE	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$437,619	\$609,050	\$516,700	\$501,700

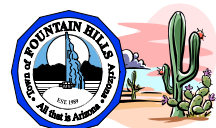


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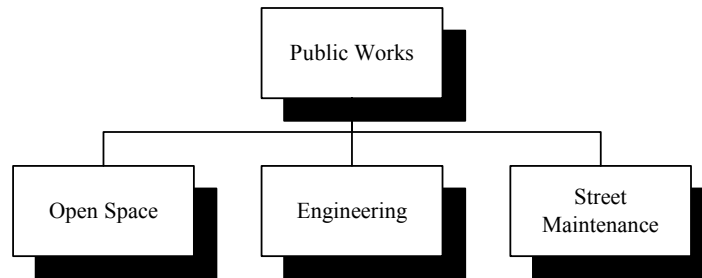
Public Works

Streets





Public Works



Mission Statement

The Public Works Department's mission is to express and enhance the beauty, value, and quality of the environment by operating and maintaining public grounds, dams, medians, natural washes and open space, as well as protecting the health, safety, and well being of the public by assuring properly designed and constructed infrastructure, correct property transfers, quality mapping, and excellent customer service.

Department Description

Public Works is responsible for the operation and maintenance of Town-owned wash parcels, open space, dams, public grounds and median landscaping. The department is responsible for six ADWR jurisdictional dams and numerous smaller dams. The department maintains landscaping at all Town-owned buildings and facilities (except public parks), including Town Hall, Community Center/Library, two fire stations, Community Theatre buildings, and the street yard.

Engineering processes, reviews, permits and inspects encroachment permits, including subdivision plans, "off-site" improvement plans and utility cuts. Engineering supports the Building Safety Department by reviewing and inspecting site work plans for building permits and supports the Community Development Department by technical review of area specific plans, rezonings, preliminary plats, special use permits and other land use matters. Engineering is responsible for all right-of-way capital projects including streets, traffic, drainage and landscaping, and provides technical support for park and building projects. It provides project planning, design and drafting (or design contract management and plan review), construction inspection and contract administration, as well as all street related construction maintenance contracts, including their design, layout and inspection.



Fiscal Year 2001-2002 Accomplishments

- Continued the wash management program in Hesperus Wash, Colony Wash, and the Malta Drain.
- Placed decomposed granite on Palisades Boulevard (Lost Hills to Fountain Hills Boulevard Golden Eagle Boulevard (Palisades to Sierra Madre), La Montana Boulevard (adjacent to the north parking lot at Town Hall).
- Installed eight concrete benches along Avenue of the Fountains.
- Recoated three fountains along Avenue of the Fountains (pebble-tec).
- Assumed maintenance responsibility for the medians on Palisades Boulevard (Shea-Lost Hills), North Heights Dam, and the water feature at Palisades/Shea.
- Received favorable inspection reports by ADWR. Annual maintenance is performed to all six Town-owned dams to insure the upkeep of the dams.
- Reviewed 713 site plans for building permits. *
- Reviewed 17 subdivision preliminary plats. *
- Reviewed, permitted, and inspected 47 subdivision and miscellaneous project improvement plan projects. *
- Reviewed, permitted and inspected 451 utility permit requests. *
- * *During 10 months ended April 30, 2002*
- Inspected (or liaison for) major public projects including:
 - Traffic signal (Avenue of the Fountains/Palisades)
 - Catch basins on Saguaro Boulevard at Fountain Park
 - Library and Community Center (site work)
 - Pavement and drainage improvements at the Saguaro Boulevard frontage road at Malta Drain (with Sanitary District)
 - Bike lane signing and striping (Town wide)
- Prepared hydrant atlas for the Fire Department.
- Prepared section maps for all field employees and the public.
- Updated plat, zoning and building development maps.
- Provided legal descriptions and boundary maps for the mountain land acquisition.

Fiscal Year 2002-2003 Objectives

- Continue the wash management program at urgent and moderate fire hazard areas in coordination with the Fire Department requests.
- Assist the MMPC with their goals and objectives for the open space areas.
- Work in conjunction with C.P.E. by checking wash areas for illegal dumping or destruction of these areas.
- Continue the storm drain atlas maps and traffic signal conduit maps.
- Continue data conversion to a GIS system.
- Continue capital project planning, design and construction consistent with the budget.
- Continue street major maintenance work (see Street Section).



Performance Standards

- Provide information to the public regarding the medians, dams, preservation areas and washes.
- Provide a high level of median maintenance, recognizing that medians are a very important element of the “first impression” people have of Fountain Hills.
- Inspect all dams quarterly.
- Check irrigation operation monthly to ensure proper coverage.
- Spray herbicides semi-annually for weed control in median areas.
- Respond promptly to citizen inquiries and concerns.
- Perform building permit first review plan checks within 10 working days for single family residences and miscellaneous permits and 15 working days for multi-family and commercial permits.
- Perform subsequent plan reviews in 5 working days.
- Perform subdivision (encroachment permit) first review plan checks within 20 working days and subsequent plan reviews in 5 working days. Perform utility cut (encroachment permit) plan checks within 10 working days.
- Identify all plan review concerns in the first submittal.
- Provide a customer friendly environment for citizen and developer access to services.
- Provide thorough, timely subdivision (and other development related) technical review comments to the Community Development Department.
- Provide technical input to the Town Council and advisory commissions as requested.
- Respond to citizen inquiries within one working day, when feasible.

Management Indicators

		2001-2002 Estimated	2002-2003 Projected
Plan Review Time Goal (1st submittal)			
Single Family Residence	10 working days	Not available	90%
Commercial	15 working days	89%	90%
Subdivision	20 working days	89%	90%
Utility	10 working days	100%	90%
Easement abandonments (including Council action)	30 working days	82%	80%

	2000-2002 Actual	2001-2002 Estimated	2002-2003 Projected
Dams and Washes			
Town-Owned Wash Maintenance	1,106 acres	1,523 acres	1,528 acres
Wash Management Program	20.4 acres	22.7 acres	17.0 acres

**Summary Expenditures – Public Works**

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$497,977	\$675,930	\$620,485	\$716,100
CONTRACTUAL SERVICE	\$56,269	\$120,000	\$65,000	\$36,000
REPAIRS & MAINTENANCE	\$243,526	\$540,500	\$279,125	\$355,500
SUPPLIES & SERVICES	\$15,364	\$43,400	\$20,300	\$97,600
CAPITAL EXPENDITURES	<u>\$18,269</u>	<u>\$22,100</u>	<u>\$18,300</u>	<u>\$0</u>
TOTAL EXPENDITURES	<u><u>\$831,405</u></u>	<u><u>\$1,401,930</u></u>	<u><u>\$1,003,210</u></u>	<u><u>\$1,205,200</u></u>

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Public Works			
Director of Public Works	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00
Civil Engineer	1.00	1.00	1.00
Engineering Technician/CAD Operator	1.00	1.00	1.00
Civil Engineering Inspector	2.00	2.00	2.00
Drafting/CAD Technician	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Open Space & Landscape Supervisor	1.00	1.00	0
Open Space & Landscape Specialist	1.00	1.00	1.00
Traffic Engineering Analyst	1.00	1.00	0.00
Authorized FTE	13.00	13.00	11.00



Salaries and Benefits

\$716,100

There are currently 11 full-time positions in the Public Works Department. No increase in personnel is anticipated during the fiscal year.

Contract Services

\$36,000

Engineering regularly contracts with design professionals (engineers, land surveyors, mappers, architects and landscape architects) for services. These contracts provide disciplines and special expertise that are not available among the Town's regular staff; provide technical manpower for major projects; and can provide a reserve of technical manpower during overflow and bottleneck time periods.

The anticipated major projects are:

- Civil Engineer – Shea Boulevard Bike Lanes (Federal Aid) – construction phase.
- Traffic Engineer – Design signal at Fountain Hills Blvd and El Lago, and at Saguaro Boulevard and El Lago Boulevard.

Repairs and Maintenance

\$355,500

The department has six assigned vehicles; two for the full-time field inspectors, one for the open space and landscape specialist, three for field work by the other nine personnel, and survey and technical support equipment.

Median Landscape Maintenance

This item has substantially increased due to the significant addition of median landscape areas maintained. From 1996 to 2002, median landscape acreage has quintupled. The Town will assume responsibility for medians on Shea Boulevard (east from Palisades Boulevard), on Avenue of the Fountains (south from Palisades Boulevard, and possibly at the Target site during the coming fiscal year.

Dam/Wash Maintenance

The item includes fire hazard, drainage control, trash and dumping removal in the wash and preservation areas. It also includes maintenance of items required at the six Town-owned jurisdictional dams. Most of this budget amount will be expended for urgent fire hazard removal areas during next fall, winter, and spring.

Supplies and Services

\$97,600

This item includes advertising, education and training, dues and publications, electricity, fuel costs, office supplies, tool and shop supplies, printing, communication expenses, travel expenses and uniforms. This item also includes water for irrigation of medians and other properties. The major water increase is for the newly constructed Community Center, the North Heights Dam (grassed area), and the Shea/Palisades water feature. The major electricity increase is primarily for the recently acquired water feature and fountain at Shea/Palisades.



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PUBLIC WORKS				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	399,017	549,600	496,500	556,700
FICA	5,584	8,030	6,950	8,150
Unemployment Insurance	497	550	500	550
Employee's Health Insurance	38,173	40,860	48,500	71,850
Employee's Life Insurance	429	990	525	660
Employee's Dental Insurance	5,201	6,330	6,300	7,820
Employee's Eye Insurance	977	1,730	1,160	1,530
Worker's Compensation Insurance	2,594	3,640	3,400	5,090
Employee's Retirement Fund	43,753	60,460	54,500	61,240
Disability Insurance	1,752	3,740	2,150	2,510
TOTAL	\$497,977	\$675,930	\$620,485	\$716,100
CONTRACT SERVICES				
Contractual Services	0	2,000	0	1,000
Engineering Fees	56,269	118,000	65,000	35,000
TOTAL	\$56,269	\$120,000	\$65,000	\$36,000
REPAIRS & MAINTENANCE:				
Vehicle Repair & Maint.	3,049	5,000	4,000	5,000
Office Equipment Repairs	125	500	125	500
Median/Landscape Maintenance	164,453	375,000	175,000	200,000
Dam/Wash Maintenance	75,899	160,000	100,000	150,000
TOTAL	\$243,526	\$540,500	\$279,125	\$355,500
SUPPLIES & SERVICES:				
Advertising	154	2,300	250	500
Conferences	35	2,000	50	0
Education/Training	819	3,300	1,000	1,000
Dues & Publications	843	2,000	1,000	500
Electricity	7,303	7,000	10,000	8,000
Gas & Oil	3,627	6,000	5,000	5,000
Office Supplies	3,367	5,500	4,000	4,000
Tools, Shop Supplies	253	1,000	400	500
Printing	2,210	3,000	3,000	2,000
Communications Expense	2,857	7,500	3,500	3,500
Water/Sewer	50,877	70,000	70,000	70,000
Travel	262	200	500	0
Vehicle Lease Payments	0	7,500	0	0
Uniforms	902	3,000	1,500	2,500
Bank Charges	35	100	100	100
TOTAL	\$73,544	\$120,400	\$100,300	\$97,600
CAPITAL EXPENDITURES				
Capital Outlay - Vehicles	18,269	22,100	18,300	0
TOTAL CAPITAL EXPENDITURE:	\$18,269	\$22,100	\$18,300	\$0
TOTAL EXPENDITURES	\$889,585	\$1,478,930	\$1,083,210	\$1,205,200



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Streets

Mission Statement _____

The Street Department is dedicated to quality customer service by operating, preserving and maintaining Town-owned roadways and traffic control systems safely and efficiently.

Department Description _____

The HURF (Highway User Revenue Fund) pays for Street Department personnel and contract work for street repairs, operations, maintenance and improvements. Major Street Department staff tasks include crack sealing, asphalt patching, signing, striping, traffic signals, brush removal and street sweeping. The department provides vehicle maintenance services for the entire town fleet, and traffic barricading for town-approved and sponsored special events. Contracted tasks include construction and renovation of streets, walls, sidewalks, drainage facilities and traffic signals. Contracted major street maintenance items include concrete curb replacement, asphalt reconstruction, asphalt overlays, slurry seal, emulsion seal and house number painting.

Performance Standards _____

- Gutter sweep all streets quarterly (at a minimum), with full width sweeping annually. Gutter sweep all arterial streets and commercial area collector streets monthly.
- Respond to citizen inquiries within one working day, whenever possible.
- Schedule requested street maintenance in a reasonable time frame, consistent with maintaining a high level of productivity.
- Minimize disruption to the motoring public due to maintenance and construction work.
- Continue to have a safe working environment as evidenced by low workmen's compensation rates.
- Patch asphalt at concrete curb placement areas on an as-needed basis.
- Minimize vehicle maintenance "down-time".

Management Indicators _____

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
Slurry Seal Applications	14 miles	19 miles	15 miles
Striping Applied	12 miles	95 miles	35 miles



Fiscal Year 2001-2002 Accomplishments _____

Major projects and accomplishments include:

- Barricading and street closures for all special events (500 man-hours for 12 special events).
- Crack sealing in the west central quadrant of Town (17 miles of streets).
- Street patching in miscellaneous areas/40 tons of asphalt.
- Gutter sweeping all roadways - 10 times.
- Gutter sweeping all arterial roadways - 12 times.
- Performing major storm cleanup on an as-needed basis.
- Assisted other Town departments (over 500 man-hours).
- Graded 40 miles of shoulder.
- Installed over 1,100 signs.
- Removed 30 tons of brush and debris.
- Performed 200 computerized traffic counts.
- Applied 95 miles of roadway striping, 6,000 feet of crosswalk and stop bars, and 5,000 reflective pavement markers.
- Slurry sealed 19 miles of street.
- Painting of approximately 1,000 house numbers on curbs.
- Constructed a new storm drain system on Saguaro Boulevard at Fountain Park (Hazard Mitigation Grant).
- Installed Town-wide bike lane signing and striping (ADOT Grant).
- Vehicle and equipment maintenance: 317 scheduled services and 278 unscheduled repairs.
- Implemented new after-hours emergency standby policy.

Fiscal Year 2002-2003 Objectives _____

- Continue visibility and reflectivity sign checks.
- Crack seal in the west central area of town.
- Complete all construction and major maintenance projects budgeted.



Summary Expenditures – Streets

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$509,093	\$669,246	\$627,150	\$638,346
CONTRACTUAL SERVICES	\$8,750	\$28,650	\$29,150	\$31,300
REPAIRS & MAINTENANCE	\$885,931	\$849,900	\$1,021,500	\$684,600
SUPPLIES & SERVICES	\$163,054	\$197,500	\$189,200	\$194,200
CAPITAL EXPENDITURES	\$130,472	\$223,100	\$173,300	\$141,000
TOTAL EXPENDITURES	\$1,697,300	\$1,968,396	\$2,040,300	\$1,689,446

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Street Department			
Superintendent of Streets	1.00	1.00	1.00
Supervisor of Street Maintenance	1.00	1.00	0.00
Fleet Master Mechanic	1.00	1.00	1.00
Fleet Equipment Mechanic	1.00	1.00	1.00
Maintenance	9.00	9.00	9.00
Equipment Operator	2.00	2.00	2.00
Authorized FTE	15.00	15.00	14.00



Salaries and Benefits

\$638,346

The Street Department currently has 14 full-time regular employees including two mechanics and the street superintendent. The department is not anticipating hiring any new employees for this fiscal year.

Contract Services

\$31,300

Accounting (auditor) and town attorney legal fees are annually prorated to the Street Fund. LTAF special programs are budgeted at 10% of the estimated LTAF revenue. These funds are used for non-street “grants”. The Council has traditionally awarded these funds based on the recommendations of a special citizens’ review committee in the spring.

Repairs and Maintenance

\$684,600

Major road improvements in fiscal year 2001-2002 were cut to approximately 30% of previously budgeted amounts due to other major Town priorities. The previous work levels should be restored to prevent deterioration in pavement quality, traffic congestion, and traffic safety. These funds will be used on a list of contract maintenance and construction projects included in the appendices as listed at the end of this section.

\$118,000 has been budgeted for the Town’s final payment of the MCDOT Shea Boulevard widening project (Beeline Highway to Cereus Wash; and east of Palisades Boulevard to the west town limit). The major work in that project had been done in fiscal year 2000-2001.

The Shea Boulevard bike lanes and median project will add bike lane pavement from Saguaro Boulevard to Palisades Boulevard, in conjunction with developer widening (\$200,000). It will also construct a raised landscaped median in two locations between Technology Drive and Fountain Hills Boulevard, filling “gaps” between proposed developer projects. Additionally, funding (Federal Aid) of \$440,000 is available for this project. Firerock Country Club is also required to participate in this project’s median (currently estimated at \$100,000).

Slurry seal (\$50,000) will be applied primarily in the west central area of town. Shea Boulevard will be microsurfaced, where not being resurfaced in the MCDOT widening project nor in the Target project (\$114,600). \$30,000 has been budgeted for a striping contract.



Supplies and Services

\$194,200

This item includes advertising, education and training, dues and publications, fuel costs, liability insurance, office supplies and printing, tool and shop supplies, communication expenses, water and sewer, travel expenses and uniforms for the Street Department employees. This item also includes power and lighting for the street yard, office trailer, maintenance building and eight traffic signals.

Capital Expenditures

\$141,000

\$15,000 has been budgeted for a parking canopy for employee parking. Debt retirement is budgeted at \$126,000.



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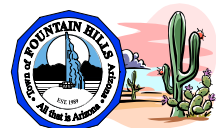
STREET DEPARTMENT				
	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS:				
Wages	392,691	518,843	480,000	467,691
FICA	5,511	7,600	6,700	6,840
Unemployment Insurance	629	746	700	696
Employee's Health Insurance	43,320	48,690	56,000	73,450
Employee's Life Insurance	575	1,350	700	840
Employee's Dental Insurance	5,618	7,200	6,900	7,610
Employee's Eye Insurance	1,189	2,040	1,450	1,780
Worker's Compensation Insurance	15,303	22,176	20,400	25,889
Employee's Retirement Fund	42,750	57,073	52,500	51,446
Disability Insurance	1,507	3,528	1,800	2,105
TOTAL	\$509,093	\$669,246	\$627,150	\$638,346
CONTRACT SERVICES				
Accounting Fees	2,750	2,750	2,750	3,500
Legal Fees	6,000	6,100	6,600	8,000
LTAF Special Programs	0	19,800	19,800	19,800
TOTAL	\$8,750	\$28,650	\$29,150	\$31,300
REPAIRS & MAINTENANCE:				
Vehicle/Equipment Rep/Maint.	32,930	57,000	35,000	35,000
Equipment Rental	0	2,000	0	0
Road Repair/Maintenance	99,746	122,200	110,000	125,000
Building Repairs/Maint.	5,406	7,700	6,500	9,000
Office Equipment Rep/Maint.	0	1,000	0	1,000
Major Road Improvements	747,849	660,000	870,000	514,600
TOTAL	\$885,931	\$849,900	\$1,021,500	\$684,600
SUPPLIES & SERVICES:				
Advertising	749	1,500	800	800
Conferences	0	500	0	0
Education/Training	1,407	2,500	1,600	1,600
Dues & Publications	2,518	9,400	3,600	3,600
Electricity	18,635	25,000	22,000	30,000
Gas & Oil	14,869	25,000	20,000	15,000
Liability Insurance	91,864	98,000	98,000	110,000
Office Supplies	1,631	3,000	5,000	3,000
Tools, Shop Supplies	7,636	11,600	9,000	9,000
Printing	41	300	100	100
Rent Expense	3,075	500	4,000	0
Communication Expense	9,606	2,000	10,000	5,000
Water/Sewer	4,035	7,000	5,000	6,000
Travel	0	200	100	100
Uniforms	6,988	11,000	10,000	10,000
TOTAL	\$163,054	\$197,500	\$189,200	\$194,200
CAPITAL EXPENDITURES				
Capital Equipment - Vehicles	18,269	23,000	18,300	0
Capital Outlay - Equipment	10,953	30,000	20,000	15,000
Capital Outlay - Communications	0	35,100	0	0
Capital Outlay - Improvements	0	0	0	0
Debt Retirement	101,250	135,000	135,000	126,000
TOTAL CAPITAL EXPENDITURE	\$130,472	\$223,100	\$173,300	\$141,000
TOTAL EXPENDITURES	\$1,697,300	\$1,968,396	\$2,040,300	\$1,689,446



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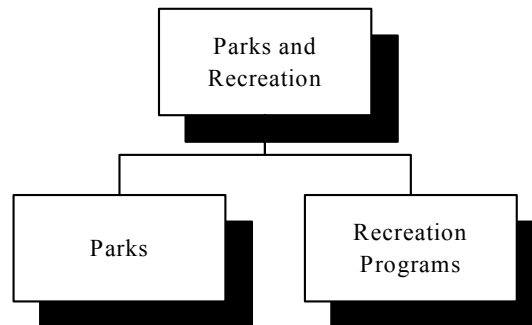


Parks and Recreation





Parks and Recreation



Mission Statement _____

The mission of the Fountain Hills Parks and Recreation Department is to enhance the quality of life by providing and maintaining safe, available, and accessible parks and recreation services that will meet the intellectual, social cultural, and leisure needs of all residents.

Vision Statement _____

In April 2000, the Parks and Recreation Commission developed a Vision Statement for the Department. The Vision Statement is contained in the department's Strategic Plan, which is reviewed annually. The Vision Statement states, "By the year 2007, Fountain Hills Parks and Recreation Department will achieve full agency accreditation, a National Gold Medal, and a 100% excellent rating from our citizens".

Department Description _____

The Parks and Recreation Department is responsible for providing safe and accessible recreation services for all age groups. Parks and Recreation services include senior programs, adult and youth sports, pre-school programs, cultural programs, teen services, outdoor programs, special events, special interest classes, adult education classes, and after school programs.

Performance Standards _____

- Offer seven new programs and eight expanded programs.
- Increase participation through unique marketing techniques.
- Increase the department's volunteer base and continue to explore and use creative methods to recognize volunteers.
- Provide Little League, PONY League, Soccer Club, Pop Warner, Jr. Miss Softball, and Lacrosse Club with assistance to help ensure the success of their respective organizations.



Management Indicators

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
<u>Recreation</u>			
• Special Events	6	10	9
• Adult and Youth Sports Activities/			
• Number of Courses Offered	21/160	19/169	18/170
• Special Interest Programs/			
• Number of Courses Offered	22/105	19/143	17/151
• Youth and Teen Programs/			
• Number of Courses Offered	18/58	19/59	20/61
• Clubs Co-Sponsored by			
• Parks and Recreation	8	7	8
• Volunteer Hours (estimated)	3,150	3,600	3,800

Administrative Support

Youth Sports Organizations – Facility Bookings

• Little League Baseball	509	334	425
• PONY League Baseball	113	131	150
• Jr. Miss Softball	4	64	100
• Soccer Club	136	270	240
• Lacrosse Club	118	129	150
• Pop Warner Football	<u>80</u>	<u>104</u>	<u>75</u>
Total	960	1,032	1,140

Parks and Recreation Revenue

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
• Recreation Programs	\$ 165,940	\$ 173,571	\$ 174,650
• Facility Rentals	\$ <u>7,154</u>	\$ <u>11,050</u>	\$ <u>11,775</u>
Subtotal	\$ 173,094	\$ 184,621	\$ 186,425
• Park Ramada Reservations	\$ <u>2,630</u>	\$ <u>3,375</u>	\$ <u>3,575</u>
Parks and Recreation Grand Total	\$ <u>175,724</u>	\$ <u>187,996</u>	\$ <u>190,000</u>



Fiscal Year 2001-2002 Accomplishments _____

- Expanded partnership with Senior Activity Services, Inc. of Fountain Hills to provide excursions throughout the state for senior citizens.
- Expanded partnership with Maricopa County Library District – Fountain Hills Branch to offer special programs to residents.
- Increased participation in the Mayor's Youth Council for the second year. The Mayor, Mayor's Youth Council Officers, and staff attended the National League of Cities Conference in Atlanta, Georgia.
- Expanded partnership with the Boys and Girls Club of Scottsdale – Fountain Hills Branch by offering programs to youth and teen residents.
- Received a grant from the Arizona Commission on the Arts in the amount of \$1,000 for the Concert in the Parks series.
- Applied for an Arizona Commission on the Arts Grant to provide additional funding for the Concert in the Parks series.
- Revised the Parks and Recreation Department's Strategic Plan.
- Researched and revised park rules and amended the Town Code to reflect the changes.
- Hosted a volunteer banquet to recognize Fountain Hills citizens that volunteered with Parks and Recreation over the last year.

Fiscal Year 2002-2003 Objectives _____

- Provide excellent customer service including information referral, quality programs, and easy registration.
- Provide staff support to all events and activities scheduled at all Town parks.
- Work closely with the Fountain Hills Unified School District to assist with scheduling and maintenance of facilities utilized by the Parks and Recreation Department.
- Identify new recreation and leisure education programs to be offered in 2003-2004.

**Summary Expenditures – Parks and Recreation Programs**

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$388,527	\$467,790	\$480,708	\$478,300
CONTRACTUAL SERVICES	\$195,631	\$228,500	\$219,000	\$217,000
REPAIRS & MAINTENANCE	\$2,288	\$1,000	\$2,750	\$3,000
SUPPLIES & SERVICES	\$30,214	\$49,650	\$36,300	\$29,550
CAPITAL EXPENDITURES	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$616,660	\$746,940	\$738,758	\$727,850

Authorized Personnel

Position – Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Proposed FTE
Parks & Recreation			
Director of Parks & Recreation	1.00	1.00	1.00
Park Supervisor	1.00	1.00	1.00
Recreation Supervisor	1.00	1.00	1.00
Recreation Program Coordinator	3.00	3.00	3.00
Parks Worker	2.00	1.00	1.00
Parks Intern	0.50	0.50	0
Recreation Intern	1.00	1.00	0
Parks Operation Supervisor	3.00	3.00	3.00
Recreation Assistant	5.00	4.00	4.00
Executive Assistant	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Authorized FTE	19.50	17.50	16.00



Parks and Recreation Programs —————

Salaries and Benefits **\$478,300**

This category includes projected salary and employee related benefits for seven full-time staff and several part-time/seasonal staff. An increase in this category is due to the addition of a new Director of Parks and Recreation, significant increases in health insurance costs, plus the estimated annual merit increases.

Contract Services **\$217,000**

No increase was anticipated for recreation programs, which include special interest programs, special events, adult and youth sports activities, and youth and teen programs. Constituent communications will increase by \$8,500 to \$56,500 in fiscal year 2002-2003, allowing for the increased publication of additional Town newsletters for the growing population of new residents.

Repairs and Maintenance **\$3,000**

This refers to expenses relating to the department's 15-passenger van, as well as maintenance and repair to office equipment.

Supplies and Services **\$29,550**

This category includes advertising, conferences, continuing education, dues and publications, gas and oil, office supplies, printing, communications, travel, and uniforms.



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PARKS & RECREATION				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	313,872	389,400	\$389,400	384,700
FICA	10,159	12,100	\$12,300	10,300
Unemployment Insurance	871	400	\$950	800
Employee's Health Insurance	20,647	24,300	\$26,825	38,100
Employee's Life Insurance	264	600	\$350	400
Employee's Dental Insurance	2,418	3,400	\$3,000	3,900
Employee's Eye Insurance	527	1,000	\$650	900
Worker's Compensation Insurance	2,306	3,290	\$3,000	3,700
Employee's Retirement Fund	23,893	31,400	\$30,350	34,100
Disability Insurance	887	1,900	\$1,200	1,400
Recruitment Costs	12,683	0	\$12,683	
TOTAL	\$388,527	\$467,790	\$480,708	\$478,300
CONTRACT SERVICES				
Engineering Fees	1,117	10,000	2,000	5,000
Special Programs	66,444	76,500	76,500	63,000
Youth and Teen Programs	38,609	44,000	44,000	44,000
Sports Activities	47,827	50,000	48,500	48,500
Constituent Communications	41,634	48,000	48,000	56,500
TOTAL	\$195,631	\$228,500	\$219,000	\$217,000
REPAIRS & MAINTENANCE:				
Vehicle Maintenance & Repair	\$456	\$1,000	750	1,000
Office Equipment Maintenance	\$1,832	\$0	2,000	2,000
TOTAL	\$2,288	\$1,000	\$2,750	\$3,000
SUPPLIES & SERVICES:				
Advertising	1,885	2,000	2,000	1,500
Conferences	5,828	6,000	6,500	1,000
Education/Training	1,704	6,000	3,000	5,500
Dues & Publications	1,790	2,500	2,000	1,450
Gas & Oil	871	2,500	1,000	2,000
Office Supplies	5,900	12,000	6,500	8,000
Printing	2,707	5,000	3,500	2,500
Communications	2,971	7,000	3,000	4,200
Travel	3,095	2,500	4,700	250
Uniforms	3,421	4,000	4,000	3,000
Bank Charges	42	150	100	150
TOTAL	\$30,214	\$49,650	\$36,300	\$29,550
CAPITAL EXPENDITURES				
Capital Outlay - Vehicles	0	0	0	0
Capital Outlay - Improvements	0	0	0	0
TOTAL CAPITAL EXPENDITURE	\$0	\$0	\$0	\$0
TOTAL EXPENDITURES	\$616,660	\$746,940	\$738,758	\$727,850



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Parks

Mission Statement _____

The parks staff is dedicated to maintaining over 112 acres of park land throughout the Fountain Hills park system to department standards by professionally maintaining and operating each park's facilities and amenities enhancing the beauty, value, and quality of the park's environment; and continuing to provide quality recreation opportunities, safe and clean parks, and superior park beautification.

Park Descriptions _____

Each of the four parks in the Town's system is in a different stage of development based on master plans that were developed specific to each park. The Parks and Recreation Commission and Town Council have reviewed and approved these master plans, which included public input during their planning.

Desert Vista Neighborhood Park

Desert Vista Neighborhood Park is an all turf 11-acre park located between Desert Vista and Tower Drives, south of Tioga Drive. The Town acquired this site on May 21, 1998, from MCO Properties, Inc. The Town, in cooperation with the Fountain Hills Sanitary District, is using the 11-acre site for effluent disposal. However, the Town has fenced 3.5 acres to be used as an off-leash recreational facility and uses the remainder of the park for lacrosse and open play.

Fountain Park

Fountain Park is a 62-acre passive recreation facility and home of the Town's world famous fountain, which is the heart of the community. The park was built in 1970 and includes 33 acres of turf, a 29-acre million gallon effluent lake, pump house station, dam, 18-hole disc golf course, restroom/control building, children's playground, two ramadas with picnic tables and grills, and two parking lots. The Town acquired the park on May 1, 1997, from MCO Properties, Inc., and approximately nine months later, the Parks and Recreation Commission developed a new park master plan. The revised plan includes approximately 7,200 linear feet of walkways complete with lighting, five picnic ramadas with tables and barbecue grills, one restroom/control building, two parking lots with over 130 parking spaces, a tot lot and a playground. Additional amenities include a veterans' memorial and an outdoor performance pad. Several park improvement projects were made during fiscal year 2000-2001 including the replacement of the lake liner, construction and installation of three injection wells, and the completion of Phase I Improvements.

Four Peaks Neighborhood Park

Four Peaks Neighborhood Park is a 14-acre recreation facility adjacent to Four Peaks Elementary School. The Parks and Recreation Department acquired approximately 9.9 acres of land from the School District in May 2001, bringing the total acreage of the park to 14 acres. The Parks and Recreation Department has maintained this land over the last several years and will continue to maintain the property in the future. The park currently includes a lighted soccer field with seating, a multi-purpose field with lights, one Little League field, one softball field, two lighted



tennis courts, two lighted basketball courts, two children's playgrounds, a restroom/control building, one ramada with a grill, and parking for 20 vehicles.

Golden Eagle Park

Golden Eagle Park is a 25-acre active recreation facility adjacent to Fountain Hills High School. The park includes four multi-purpose lighted ball fields with covered dugouts and seating for 550 spectators, four lighted tennis courts with a shaded waiting area, two lighted basketball courts with bleachers, two lighted sand volleyball courts with a shower tower, a shaded tot lot, a shaded children's playground with a shaded seat wall, a 2,500 square foot restroom/control building, three parking lots with a total of 223 parking spaces, three picnic ramadas with grills, one pedestrian foot bridge, eight chilled drinking fountains, a horse shoe pit, six open turf areas, a large equipment storage yard, and over one mile of sidewalks and concrete pathways.

Performance Standards _____

Fountain Hills Park System

(Fountain Park, Desert Vista Park, Four Peaks Park and Golden Eagle Park)

- Provide safe and clean facilities daily.
- Secure restroom/control buildings and park entry gates daily.
- Prepare and line all ball fields for scheduled activities.
- Maintain athletic facilities at standards acceptable for all scheduled sports activities.
- Maintain safe and beautiful green turf year-round.
- Maintain an accident free work place.

Desert Vista Neighborhood Park

- Provide pet waste bags.
- Eliminate irrigation leaks and standing water within the off-leash recreational facility.

Management Indicators – Parks _____

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
Grounds Maintenance			
Mowing Frequency	50 weeks	50 weeks	50 weeks
Aeration	4 x annually	4 x annually	4 x annually
Post Emergency Spraying	3 x annually	3 x annually	3 x annually
Pre Emergence Spraying	2 x annually	2 x annually	2 x annually
Park Ramada Rental Hours			
Desert Vista Neighborhood Park	0	0	0
Fountain Park	0	75	150
Four Peaks Neighborhood Park	29	35	35
Golden Eagle Park	551	525	550



Fiscal Year 2001-2002 Accomplishments (Parks)

Fountain Hills Park System

- Initiated monthly vehicle inspection for all department vehicles.
- Over-seeded all of the parks within the park system.
- Posted new signage throughout the park system.
- Installed several new memorial park benches and trees at several parks.
- Provided support services and field preparation for various Fountain Hills organizations, such as, the Chamber of Commerce, Ministerial Association, Little League, the Soccer club, Pop Warner Football, Lacrosse Club, the Senior Softball program, and the Men's League.
- Provided support services and field preparation to High School, Middle School, and Four Peaks Elementary School personnel and associated sports teams.
- Upgraded turf and field conditions at all parks.

Desert Vista Neighborhood Park

- Constructed new containers for mutt mitts.
- Installed one ADA approved drinking fountain with two pet drinking bowls attached.
- Hosted the annual Paws in the Park special event.

Fountain Park

- Continued the St. Patrick's Day annual tradition of dyeing the fountain green.
- Installed a new computerized control panel for pump operations of the fountain.
- Collaborated with the Sanitary District to rebuild four aeration pumps for circulation of oxygen into the fountain lake.
- Successfully repaired the irrigation system after construction projects were finished.
- Installed new electrical outlets on the west side of the park for concerts and other activities requiring electricity.

Four Peaks Neighborhood Park

- Acquired approximately 9.9 acres of parkland from the Fountain Hills Unified School District.

Golden Eagle Park

- Installed new tennis court windscreens and shade covers over both playgrounds, and purchased 10 new sports fence panels.
- Resurfaced all three parking lots.
- Replaced picnic tabletops at the Cottonwood ramada, and painted the Cottonwood and Saguaro ramadas, the new wall adjacent to the basketball courts, rails throughout the park, parking lot stalls and curbs in parking lot B, and drinking fountains.
- Replaced gate and isolation valves throughout the park.
- Worked with SunRidge Canyon to repair and maintain the required level of pump pressure to ensure effective pump operation.



Fiscal Year 2002-2003 Objectives (Parks) _____

Fountain Hills Park System

- Maintain current support services and professional assistance to customers, youth and adult organizations, school sports activities, and other community organizations using the facilities and amenities within the Fountain Hills Park system.
- Provide exceptional weekly maintenance of the parks, and emphasize restroom cleanliness and a litter free environment.
- Eliminate turf weeds and weeds on dirt slopes and open areas.
- Level all low and uneven turf areas throughout each park.
- Post signage for new park rules.
- Cross-train recreation assistants to assist with park maintenance.
- Manage financial resources to meet authorized expenditures.
- Maintain high staff visibility and provide friendly help for park patrons.

Desert Vista Neighborhood Park

- Add new surface material at the entrance of the Off-Leash Recreational Facility.
- Install additional benches and trees.

Fountain Park

- Continue to decrease the migratory bird population at the lake.
- Major clean up of pump house building and yard for possible public tours.
- Install concrete slab for veterans memorial.



Summary Expenditures - Parks

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$195,766	\$238,870	\$239,155	\$254,740
CONTRACTUAL SERVICES	\$0	\$133,000	\$0	\$0
REPAIRS & MAINTENANCE	\$310,291	\$317,600	\$341,900	\$321,000
SUPPLIES & SERVICES	\$168,014	\$321,800	\$213,500	\$254,880
CAPITAL EXPENDITURES	<u>\$105,765</u>	<u>\$1,117,500</u>	<u>\$105,880</u>	<u>\$15,000</u>
TOTAL EXPENDITURES	<u><u>\$779,836</u></u>	<u><u>\$2,128,770</u></u>	<u><u>\$900,435</u></u>	<u><u>\$845,620</u></u>



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Parks

Salaries and Benefits

\$254,740

The parks are maintained by a staff that consists of a park supervisor, three parks operations supervisors, and one parks operations worker. Although the staff members are assigned to a specific park, they share responsibilities for all parks and perform their duties wherever necessary.

Desert Vista Neighborhood Park	\$ 0
Fountain Park	\$ 55,000
Four Peaks	\$ 47,430
Golden Eagle Park	\$152,310

Repairs and Maintenance

\$321,000

This refers to expenses relating to the daily maintenance of the park, as well as renting power tools and small equipment to perform park maintenance repairs. The major component to this category is the Annual Landscape Contract, which comprises most of the expenditures for this category. The Annual Landscape Contract will be re-bid during fiscal year 2001-2002 and renewed on an annual basis for up to four additional years. Additionally, the annual landscape contract is adjusted annually to include the Consumer Price Index.

Desert Vista Neighborhood Park	\$ 42,500
Fountain Park	\$142,500
Four Peaks	\$ 41,000
Golden Eagle Park	\$ 95,000

Supplies and Services

\$254,880

Expenses in this category pertain to the daily operations of the park and include costs for electricity, water, sewer, trash pick-up, associated operational signage, and miscellaneous tools and supplies. The major portion of this category consists of the electricity required to operate the fountain pumps. Also included are expenditures associated with continuing education and conferences for park staff to keep current with certifications.

Desert Vista Neighborhood Park	\$ 7,300
Fountain Park	\$146,800
Four Peaks	\$ 37,900
Golden Eagle Park	\$ 62,880



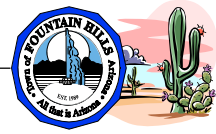
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DESERT VISTA PARK					
	4/30/2002	2001-2002	2001-2002	2002-2003	
	Year-to-Date	Budget	Rev. Estimate	Dept. Request	
CONTRACT SERVICES:					
Professional Fees	0	0	0	0	
Engineering/Design Fees	0	0	0	0	
TOTAL	0	0	0	0	
REPAIRS & MAINTENANCE:					
Equipment Rental	0	0	0	500	
Field Preparation/Maintenance	1,230	3,000	2,000	2,000	
Mowing/Landscape Maintenance	31,832	57,500	38,000	40,000	
TOTAL	\$33,062	\$60,500	\$40,000	\$42,500	
SUPPLIES & SERVICES:					
Advertising	0	3,000	0	500	
Electricity	2,936	5,000	5,000	5,000	
Tools/Shop Supplies	132	500	300	500	
Water/Sewer	997	5,000	1,500	1,300	
TOTAL	\$4,065	\$13,500	\$6,800	\$7,300	
CAPITAL EXPENDITURES					
Capital Outlay - Park Improvements	2,223	2,500	2,300	0	
TOTAL	\$2,223	\$2,500	\$2,300	\$0	
TOTAL EXPENDITURES	\$39,350	\$76,500	\$49,100	\$49,800	



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FOUNTAIN PARK				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	33,559	39,400	39,400	39,100
FICA	459	590	590	590
Unemployment Insurance	46	50	50	50
Employee's Health Insurance	4,631	4,210	6,000	8,450
Employee's Life Insurance	44	90	55	60
Employee's Dental Insurance	493	530	650	900
Employee's Eye Insurance	114	180	135	150
Worker's Compensation Insurance	720	880	880	1,210
Employee's Retirement Fund	3,691	4,340	4,600	4,310
Disability Insurance	127	270	160	180
TOTAL	\$43,884	\$50,540	\$52,520	\$55,000
CONTRACT SERVICES:				
Engineering/Design Fees	0	110,000	0	0
TOTAL	0	110,000	0	0
REPAIRS & MAINTENANCE:				
Equipment Repair	1,648	8,000	2,500	11,000
Vehicle Maintenance/Repair	896	3,000	1,000	2,000
Equipment Rental	74	1,000	100	500
Building Repairs/Maintenance	5,071	3,000	6,000	3,000
Field and Park Maintenance	54,273	27,500	60,000	36,000
Mowing/Landscape Maintenance	105,437	90,000	110,000	90,000
TOTAL	\$167,399	\$132,500	\$179,600	\$142,500
SUPPLIES & SERVICES:				
Advertising	978	5,000	1,000	3,000
Conferences	125	100	150	100
Education/Training	75	700	100	500
Dues & Publications	120	150	150	100
Electricity	74,940	150,000	100,000	125,000
Gas and Oil	1,624	3,000	2,000	2,000
Office Supplies	500	500	500	500
Tools, Shop Supplies	362	1,000	500	1,000
Printing	0	3,000	1,000	3,000
Communications Expense	420	1,100	500	1,600
Water	5,727	7,000	7,000	8,000
Travel	5	100	100	0
Uniforms	1,040	1,000	1,200	2,000
TOTAL	\$85,916	\$172,650	\$114,200	\$146,800
CAPITAL EXPENDITURES				
Capital Outlay - Equipment				0
Capital Outlay - Improvements	23,731	0	23,730	15,000
TOTAL	\$23,731	\$0	\$23,730	\$15,000
TOTAL EXPENDITURES	\$320,930	\$465,690	\$370,050	\$359,300



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FOUR PEAKS NEIGHBORHOOD PARK				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	26,119	38,100	\$30,000	33,900
FICA	341	570	\$435	500
Unemployment Insurance	46	50	\$65	50
Employee's Health Insurance	4,035	5,100	\$5,100	6,950
Employee's Life Insurance	40	90	\$55	60
Employee's Dental Insurance	613	780	\$780	900
Employee's Eye Insurance	103	180	\$135	150
Worker's Compensation Insurance	682	980	\$955	1,040
Employee's Retirement Fund	2,873	4,190	\$3,400	3,730
Disability Insurance	106	260	\$125	150
TOTAL	\$34,958	\$50,300	\$41,050	\$47,430
CONTRACT SERVICES:				
Engineering/Design Fees	0	23,000	0	0
TOTAL	0	23,000	0	0
REPAIRS & MAINTENANCE:				
Vehicle Maintenance/Repair	320	2,300	800	2,000
Equipment Rental	1,829	2,800	2,000	2,500
Building Repairs/Maintenance	5,373	2,500	5,500	5,000
Field Preparation/Maintenance	13,043	16,500	16,000	17,500
Mowing/Landscape Maintenance	11,573	14,000	14,000	14,000
TOTAL	\$32,138	\$38,100	\$38,300	\$41,000
SUPPLIES & SERVICES:				
Advertising	95	4,500	300	3,000
Conferences	1,491	1,000	1,500	100
Education/Training	75	300	100	300
Dues and Publications	305	150	350	200
Electricity	10,790	18,000	13,000	14,000
Gas and Oil	1,294	2,400	2,400	2,400
Office Supplies	89	100	100	100
Tools, Shop Supplies	983	2,000	1,000	1,000
Printing	0	3,000	0	0
Communication Expense	483	1,100	600	800
Water/Sewer	12,995	28,000	15,000	15,000
Travel	0	400	0	0
Uniforms	571	1,000	800	1,000
TOTAL	\$29,171	\$61,950	\$35,150	\$37,900
CAPITAL EXPENDITURES				
Capital Outlay - Vehicles	0	0	0	0
Park Improvements	55,000	55,000	55,000	0
TOTAL	\$55,000	\$55,000	\$55,000	\$0
TOTAL EXPENDITURES	\$151,267	\$228,350	\$169,500	\$126,330



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GOLDEN EAGLE PARK				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	89,757	107,000	\$110,900	112,200
FICA	1,166	1,590	\$1,500	1,660
Unemployment Insurance	139	200	\$150	150
Employee's Health Insurance	11,768	11,760	\$15,000	19,650
Employee's Life Insurance	132	270	\$160	180
Employee's Dental Insurance	1,303	1,480	\$1,570	1,700
Employee's Eye Insurance	298	460	\$355	410
Worker's Compensation Insurance	2,125	2,770	\$3,000	3,520
Employee's Retirement Fund	9,867	11,770	\$12,500	12,340
Disability Insurance	369	730	\$450	500
TOTAL	\$116,924	\$138,030	\$145,585	\$152,310
CONTRACT SERVICES:				
TOTAL	0	0	0	0
REPAIRS & MAINTENANCE:				
Vehicle Maintenance/Repair	7,875	8,500	8,500	9,000
Equipment Rental	628	2,000	1,000	2,000
Building Repairs/Maintenance	20,901	15,000	22,000	22,000
Field Preparation/Maintenance	26,280	21,000	27,500	30,000
Mowing/Landscape Maintenance	22,008	40,000	25,000	32,000
TOTAL	\$77,692	\$86,500	\$84,000	\$95,000
SUPPLIES & SERVICES:				
Advertising	395	5,000	500	1,000
Conferences	630	2,500	650	255
Education/Training	1,270	4,000	1,500	2,500
Dues and Publications	495	700	500	225
Electricity	25,860	35,000	30,000	30,000
Gas and Oil	2,827	4,000	3,000	3,000
Office Supplies	79	1,000	100	1,000
Tools, Shop Supplies	1,725	3,000	2,000	3,000
Printing	0	500	0	500
Communication Expense	1,254	4,500	1,300	2,400
Water/Sewer	11,848	8,000	14,500	15,000
Travel	372	1,500	400	0
Uniforms	2,107	4,000	2,900	4,000
TOTAL	\$48,862	\$73,700	\$57,350	\$62,880
CAPITAL EXPENDITURES				
Park Equipment	0	0	0	0
Park Improvements	24,811	60,000	24,850	0
TOTAL	\$24,811	\$60,000	\$24,850	\$0
TOTAL EXPENDITURES	\$268,289	\$358,230	\$311,785	\$310,190



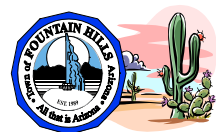
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Public Safety

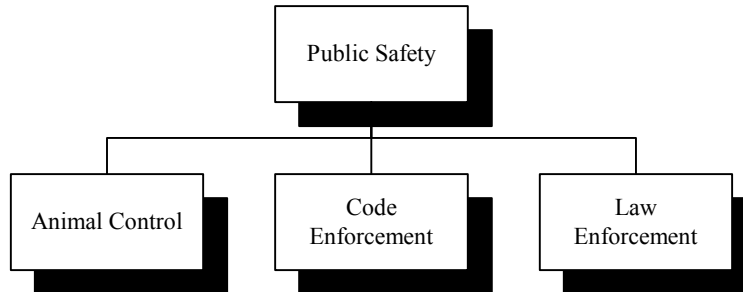
Marshal Department

Fire Department





Marshal Department



Mission Statement

The Marshals Department is dedicated to creating a safe and secure environment for our residents through voluntary compliance with statutes and codes, impartial resolution of neighborhood disputes, a commitment to “quality of life” issues, and timely law enforcement services.

Department Description

Law enforcement services are provided to our residents through a unique combination of full-time officers and volunteer deputy marshals as well as contract services from the County Sheriff. Marshal Department personnel handle “quality of life” issues such as municipal code enforcement, crime prevention, traffic safety, special events, and community services while “life and death” issues such as criminal investigations and traffic enforcement are provided by the County Sheriff under a contract administered by the Town Marshal.

Performance Standards

- All department members will subscribe to the principles of community based policing.
- The public will be treated with courtesy and respect by all members of the department
- The department will not engage in racial profiling
- Clearance rates for ordinances and zoning code violations will be based on closing a case to the satisfaction of the complainant within 30 days of receipt
- Acknowledgement of all ordinance and zoning complaints, as well as assignment to an investigating officer, will occur within one working day of receipt.
- All uniformed personnel in the Marshals Department will have at least a class “C” ACJIS certification and dispatchers will have a class “A” certification for access to criminal history files.
- All certified personnel in the Marshals Department will meet, or exceed, state training standards (Az-POST) as a means of reducing liability.
- Notification on dog license renewals will be given to all animal owners at least 30 days before expiration.



- Selection of all civilian personnel will be based on a seven part process involving a comprehensive application package, qualifications appraisal, proficiency testing, a background, polygraph, medical and psychological test.
- Selection of all uniformed officers and volunteers will be based on an eight-part process involving a comprehensive application package, a written test, a qualifications appraisal board, a physical agility test, a background investigation, a polygraph, a medical which includes drug screening, and a psychological exam.
- In order to encourage community volunteers, the department will continue to provide all equipment, supplies, and training at no expense to the individual volunteer.

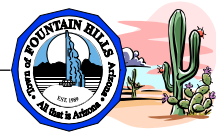
Management Indicators

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
Crimes Against Persons	13	12	12
Property Crime per 1,000 Residents	1.68	1.65	1.58
Motor Vehicle Accidents	217	207	206
Code Violations Handled	1,486	1,603	1,608
Code Enforcement Clearance Rate	84.3%	86.7%	86.8%

Fiscal Year 2002-2002 Accomplishments

In the first nine months of the fiscal year, the Marshals Department accomplished the following:

- Received \$134,392 in state and federal grants for crime prevention, school resources, traffic safety, equipment, and youth programs in our community.
- Handled 1,204 ordinance and zoning complaints closing approximately 85% to the resident's satisfaction within 30 days of receipt. This represented an 11% increase over last fiscal year.
- Responded to 429 law enforcement service calls including violations of state statutes and liquor laws as well as warrant related arrests, alarm calls, and criminal investigations. Issued 799 citations for traffic safety violations and apprehended 22 motorists operating their vehicles under the influence of alcohol.
- Handled 124 incidents at the high school and middle school ranging from drugs, weapons and substance abuse to assaults, disorderly conduct, and truancy violations.
- Dispatchers handled 18,794 telephone calls on a 24-hour a day basis as well as 5,051 weekend, holiday and nighttime radio transmissions and 5,703 citizen service requests at the front window.
- Recruited, selected and trained two new uniformed officers for the volunteer reserve program, one as a fully certified reserve officer and one as a non-certified Community Service Officer.
- Logged 1,430 hours of volunteer time saving the community \$21,575 in law enforcement salary costs.
- Issued 2,013 dog licenses, representing more than \$17,998 in revenue for the Town of Fountain Hills.
- Collected over \$97,868 in delinquent fines for the Magistrate Court as well as clearing 248 outstanding cases and apprehending 67 convicted persons on outstanding warrants.



- Provided traffic, security, and parking services at special events authorized by the Town Council including the Great Fair, Concerts in the Park, Egg Scramble, Easter Services, Mountain-to-Fountain Race, Fall Festival, Thanksgiving Parade, Turkey Trot Race, and the Holiday Lighting of the Avenue.
- Sponsored and presented a wide variety of youth service activities including Special Olympics, the KidCare-id Program, “Stranger-Danger” presentations, Teen Court, “Twilight Tuesday” and “Wednesday in the Park” teen programs in conjunction with the Parks Department as well as Bicycle Safety Rodeos, child restraint inspections and sponsorship of the Fountain Hills Law Enforcement Explorer Post.
- Promoted crime prevention through a wide variety of community programs including anti-graffiti efforts, public service articles on crime resistance techniques, vacation watches, business security evaluations, block watches, bicycle patrols, elderly welfare checks, park security programs, wash watches, residential risk analysis, and public property protection efforts.
- Received “exemplary ratings” on each of the quarterly peace officers standards audits and the annual ACJIS (criminal history information system) compliance audit.

Fiscal Year 2002-2003 Objectives —————

- Achieve a clearance rate on ordinance and zoning violations of at least 85% based on the criteria of handling resolving complaints to the resident’s satisfaction within 30 days of receipt.
- Eliminate any increase in property crime, despite a growing population, through an aggressive crime prevention and public information effort.
- Enhance the concept of community based policing by supporting the Law Enforcement Advisory Panel (LEAP) for adults and the Law Enforcement Explorer Post for juveniles. That support will include dedication of resources to assist both groups with training, information, and public exposure.
- Increase dog licenses by at least 5% through an aggressive program of public information and enforcement. This objective is particularly important because licensing ensures that dogs have been vaccinated for rabies and other diseases. Unlicensed dogs represent a threat to the health and welfare of the community.
- Continue to save the community law enforcement salary expenses by recruiting, selecting, and training at least two qualified volunteers for the Marshals Reserve Program placing an emphasis on an 8-step process that includes a comprehensive application package, a standardized written test, qualification appraisal boards, comprehensive background investigations, polygraphs, physical agility testing, medical examinations, drug screenings, and psychological tests.
- Reduce Town liability from law enforcement operations through an aggressive in-service training program for Marshals Department personnel.
- Provide Fountain Hills with a minimum staffing level of 1.5 officers per 1,000 residents using grant funding and the combined resources of the Marshals program and contract services by the Sheriff.
- Promote safety and security on the high school and middle school campus through the school resource program. Achieve at least a 5% annual decrease in the number of incidents on both campus locations.



- Develop and implement an organized traffic safety strategy for the community to stop the increased traffic accident rate. The program will emphasize a combination of engineering, education and enforcement for this purpose.
- Maintain at least “class C” ACJIS criminal history access certification for all enforcement personnel and “class A” certification for all dispatch personnel, both full time and volunteer, so they may access case information directly into the department data base as part of the computerized report writing program.
- Consolidate all operational reporting to a computerized record management system that meets state and federal guidelines. Engage in an aggressive training program for all personnel to ensure their ability to utilize the technology system.
- Sponsor, participate, or present youth oriented community service programs during the upcoming fiscal year including, but not limited to, KidCare-id, bike safety inspections and registration, child restraint inspections, distribution of bicycle helmets, “Stranger-Danger” presentations, and support of Special Olympics.
- Promote public visibility, accessibility, and community relations through clearly marked cars and high profile uniformed personnel.



Summary Expenditures – Marshal Department

	4/30/2002 Year-to-Date	2001-2002 Budget	2001-2002 Rev. Estimate	2002-2003 Dept. Request
SALARIES & BENEFITS	\$733,320	\$945,700	\$910,300	\$983,100
CONTRACT SERVICES	\$1,255,706	\$1,570,250	\$1,570,250	\$1,509,700
REPAIRS & MAINTENANCE	\$21,836	\$27,140	\$25,000	\$29,500
SUPPLIES & SERVICES	\$67,159	\$92,400	\$77,400	\$82,080
CAPITAL EXPENDITURES	\$29,330	\$40,900	\$29,500	\$54,000
TOTAL EXPENDITURES	\$2,107,351	\$2,676,390	\$2,612,450	\$2,658,380

Authorized Personnel

Position-Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Authorized FTE
Marshal Department			
Town Marshal	1.00	1.00	1.00
Sergeant	4.00	4.00	3.00
Deputy Marshal	14.00	14.00	8.00
Dispatcher	6.00	7.00	7.00
Administrative Assistant	0	0	1.00
Authorized FTE	25.00	26.00	20.00



Salaries and Benefits

\$983,100

This category includes projected salary and employee related expenses for a staff of 11 full-time officers, 7 dispatchers, the department head, and an administrative assistant position (full-time) that was approved by the Town Council during the budget hearings. The increase in the department's personnel services budget is based on four factors: filling positions which were vacant during a portion of the previous fiscal year; changes in the proportion of municipal funding as grants mature; expiration of federal grants which reverted to Town funding; and, a change in the cost of employee health benefits.

Contract Services

\$1,509,700

One of the primary objectives of the department is to provide for public safety. The department uses a national standard of 1.5 officers per 1,000 residents based on the concept that population drives the demand for law enforcement services. Fountain Hills currently fields 30 officers including 16 under a contract with the County Sheriff. No increase was sought in the level of patrol services. The budget is based on 3.0 service "beats" based on the county's formula for calculating service costs.

Repairs and Maintenance

\$29,500

This refers to expenses relating to the department's motor vehicle fleet as well as maintenance and repairs to a wide variety of office equipment, radio and dispatch consoles, monitoring systems, and automated recording devices which are subject to service contracts.

Supplies and Services

\$82,080

Expenses in this category pertain to daily operations of the department and range from fuel costs to office supplies, uniforms, printing expenses, training, and publications.

The most significant change involves communications related expenses. This is a vital area pertaining to department operations, contractual obligations, and officer safety objectives. Communication expenses fall into three categories: telecommunications, leased services, and radio communications.

Telecommunications

With operation of the 24-hour dispatching, service requests occur at times when officers are not on duty. All on-call personnel are issued pagers for rapid response and call outs. The department also relies heavily on cellular telephones for direct communications between headquarters and supervisory personnel in the field. Cellular communication is used to transmit detailed information and to verify warrants which may not be appropriate for general broadcast.

This budget also includes radio repairs, radio re-programming costs, calibration services, and a \$24,000 county contract for the radio repeater. Radio communications are absolutely necessary in meeting objectives relating to public safety, officer safety, special events and public accessibility. By policy, every uniformed officer is assigned a portable radio, MCSO officers on contract are supplied with a radio for direct communications with department dispatchers, and every vehicle is equipped with a mobile radio.



Capital Outlay

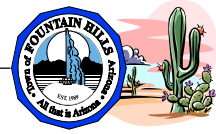
\$54,000

The department depends upon radio communications to deliver services in the field. In 2000, the Town was notified that the county would be converting the Thompson Peak repeater from the 806MHz frequency to an 867MHz smart zone system that will not support the radios currently used by Fountain Hills. Through negotiations and reprogramming, it will be possible for the department to continue using the Thompson Peak repeater for a reasonable time as long as a concerted effort was made to convert to the new technology. The department proposed a program, approved by the Council in fiscal year 2001-2002, to convert its hand-held, console, and mobile radios over in phases to reduce the fiscal impact.

The first phase of the conversion, completed in fiscal year 2001-2002, converted the dispatch consoles and mobile radios in supervisor vehicles. The second phase, which is part of the fiscal year 2002-2003 budget, would convert all portable radios to the new system. The third phase, scheduled for fiscal year 2003-2004, would result in mobile units in all vehicles. The total cost of a portable unit is \$4,467 and the department is seeking units for all 7 full-time officers, 3 reserves, and 2 command units for the emergency response plan.



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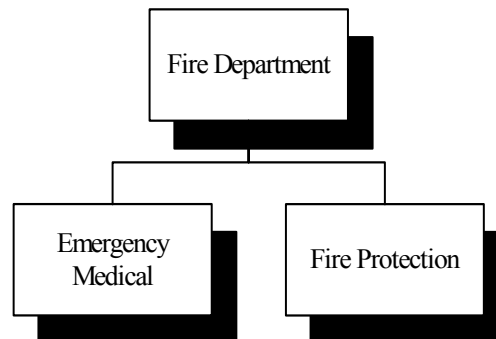
MARSHAL DEPARTMENT				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
Wages	580,032	751,300	715,000	740,500
FICA	8,104	11,000	10,000	10,900
Unemployment Insurance	848	1,200	850	1,100
Employee's Health Insurance	60,626	68,400	76,500	123,800
Employee's Life Insurance	752	1,500	1,000	1,200
Employee's Dental Insurance	8,020	10,200	9,600	13,200
Employee's Eye Insurance	1,604	2,900	1,850	2,700
Worker's Compensation Insurance	11,069	14,700	10,000	16,200
Employee's Retirement Fund	58,968	76,400	72,500	67,200
Recruitment Costs	972	3,000	10,000	3,000
Disability Insurance	2,325	5,100	3,000	3,300
TOTAL	\$733,320	\$945,700	\$910,300	\$983,100
CONTRACT SERVICES				
Sheriff's Contract	1,255,706	1,570,250	1,570,250	1,509,700
TOTAL	\$1,255,706	\$1,570,250	\$1,570,250	\$1,509,700
REPAIRS & MAINTENANCE:				
Vehicle Repairs & Maintenance	15,276	20,000	18,000	22,000
Office Equipment Repairs/Maintenance	6,560	7,140	7,000	7,500
TOTAL	\$21,836	\$27,140	\$25,000	\$29,500
SUPPLIES & SERVICES:				
Advertising/Signage	6,098	6,500	6,200	6,500
Conferences	2,750	2,450	3,000	1,150
Education/Training	5,107	5,100	5,500	6,500
Dues & Publications	2,087	2,400	2,400	2,100
Gas & Oil	13,735	30,000	16,000	16,000
Office Supplies	11,595	13,500	13,500	14,000
Printing	5,370	5,200	5,200	5,500
Communication Expense	7,849	4,100	9,000	15,000
Travel	2,479	4,700	3,000	2,000
Uniforms	7,344	14,100	10,000	9,000
Weapons/Ammunition	2,663	4,250	3,500	4,250
Bank Charges	82	100	100	80
TOTAL	\$67,159	\$92,400	\$77,400	\$82,080
CAPITAL EXPENDITURES				
Capital Outlay-Vehicles	0	0		0
Office Furniture & Equipment	0	8,900	0	0
Capital Outlay-Commun.	29,330	32,000	29,500	54,000
TOTAL CAPITAL EXPENDITURE	\$29,330	\$40,900	\$29,500	\$54,000
TOTAL EXPENDITURES	\$2,107,351	\$2,676,390	\$2,612,450	\$2,658,380



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Fire Department



Mission Statement

To preserve life and property through fire prevention, education, suppression and emergency medical services while maintaining the highest level of training, professionalism and dedication to customer service

Department Description

Fire fighting and emergency medical services are provided to the residents through a unique combination of municipally owned equipment and facilities operated by contract personnel from the Rural/Metro Corporation.

The Fire Department is responsible for prevention and suppression of structural and wild land fires within the town limits. The fire department also provides inspections, emergency medical services, emergency transport, hazardous material handling, and takes the lead role in emergency response to natural disasters. In conjunction with its primary role, the Fire Department provides a wide range of auxiliary community services such as public education, snake removal, a fire support program, and a youth-oriented explorer post.

Performance Standards

- Response time of five minutes or less to the scene of fire and medical calls at least 90% of the time.
- Provide a minimum of 240 hours of training to each individual assigned to Fountain Hills per year.
- Inspect and test all fire hydrants in Fountain Hills on an annual basis.



Management Indicators

	2000-2001 Actual	2001-2002 Estimated	2002-2003 Projected
Emergency response time	3min 54min	3min 39sec	4min
EMS response time	3min 43min	3min 40sec	4min
Percentage of EMS calls	76%	81%	85%
Emergency calls	1,585	1,359	1,475
Non-emergency service calls	1,372	1,071	1,300
Construction inspections/safety surveys	2,395	2,100	1,900

Fiscal Year 2001-2002 Accomplishments

- Placed new ladder/pumper apparatus in service.
- Added a new licensed ambulance to the Fountain Hills fire fleet.
- With assistance from the Administration facility staff, installed a fueling station to replace commercial fuel with bulk purchase.
- Acquired capability to service self contained breathing apparatus.
- Reduced emergency response time community wide.
- Reduced emergency medical service response time community wide.
- Added arson investigator capability.
- Expanded hazardous material capability.
- Expanded public education through a characterization program and CPR program.
- Implemented new fire management software program.

Fiscal Year 2002-2003 Objectives

- Maintain or improve upon a 4-minute response time for all emergency calls
- Convert all Fire Service and EMS records from 2000 forward to the new fire management software system.
- Implement a policy and procedures manual for Fountain Hills fire and EMS services.
- Develop and implement a Senior Citizen safety Program including syllabus and lesson plans.
- Design and construct a “docking station” for the E.D.I.T.H. House to be located at the Palisades Fire Station to serve as a public information tool financed by private funds.
- Identify and select a fire captain as a candidate for the executive fire officer program at the National Fire Academy in Washington D.C.



Contract Services

\$2,275,700

This represents the amount of the Town's fire protection and emergency medical services contract with Rural/Metro Corporation.

Repairs and Maintenance

\$38,570

This refers to expenses relating to the department's fleet of fire equipment for field operations as well as maintenance and repair of office equipment for administrative activities. Fleet expenses include tires, brakes, batteries, and vehicle parts essential to keeping equipment in operating order. Office equipment includes service contracts on existing copiers, printers, and computer equipment.

Supplies and Services

\$42,000

Expenses in this category pertain to daily operations of the department and range from fuel costs to fire fighting tools, office supplies, specialized training, printing, and publications. Items in this category are outside of the parameters of the Rural/Metro contract and represent expenses specifically for Fountain Hills.

Capital Outlay

\$5,000

The capital expenditure represents the Town's portion of matching funds for a federal grant to purchase portable radios. If the grant is awarded, the Town will contribute \$4,500 towards the cost of purchasing eight new radios that would be compatible with the Fountain Hills local law enforcement agencies.



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FIRE DEPARTMENT				
	4/30/2002	2001-2002	2001-2002	2002-2003
	Year-to-Date	Budget	Rev. Estimate	Dept. Request
SALARIES & BENEFITS:				
TOTAL	\$0	\$0	\$0	\$0
CONTRACT SERVICES				
Rural Metro Contract	0	0	0	2,275,700
TOTAL	\$0	\$0	\$0	\$2,275,700
REPAIRS & MAINTENANCE:				
Vehicle Repairs & Maintenance	0	0	0	37,000
Office Equipment Repairs/Maintenance	0	0	0	1,570
TOTAL	\$0	\$0	\$0	\$38,570
SUPPLIES & SERVICES:				
Dues & Publications	0	0	0	0
Gas & Oil	0	0	0	20,000
Office Supplies	0	0	0	20,000
Printing	0	0	0	2,000
Travel	0	0	0	0
TOTAL	\$0	\$0	\$0	\$42,000
CAPITAL EXPENDITURES				
Capital Outlay-Vehicles	0	0	0	0
Office Furniture & Equipment	0	0	0	5,000
Capital Outlay-Commun.	0	0	0	0
TOTAL CAPITAL EXPENDITURES	\$0	\$0	\$0	\$5,000
TOTAL EXPENDITURES	\$0	\$0	\$0	\$2,361,270



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Grants





Grants

Marshal Department _____

United States Department of Justice - Office of Community Oriented Policing **\$28,900**

The Town of Fountain Hills has participated in the US Department of Justice for Community Oriented Policing (COPS) program since March 1995. When the federal grant is awarded to municipalities, the OJP agrees to subsidize the costs for newly hired COPS officer(s) for a period of three years. At the end of three years the officers are retained and fully funded by the Town. The COPS grant program included in this grant (COPS V) expires April 30, 2003 and currently covers one officer. The General Fund portion is included in the Town Marshal Department budget.

Parks and Recreation Department _____

Arizona State Parks, Land and Water Conservation Fund (LWCF)

Fountain Park, Phase II

\$0

In 2001, the Town received notification of a grant award from the Land and Water Conservation Fund as a result of the Arizona State Parks Heritage Grant application submitted February 29, 2000. The application proposed applying grant funds to complete Fountain park Phase II Improvements, which includes new playground equipment, one lighted parking lot, an educational arboretum, one multi-path walkway around the fountain, one picnic Ramada with tables, a performance pad, park signage, and a veteran's memorial. The grant will reimburse the Town \$237,307 for the improvements and requires matching funds from the Town. The proposed cost of the Phase II improvements is \$1,237,707, which includes \$1,000,000 of General Fund transfers. However, due to budget constraints, this project has been placed on hold until such time that funds become available. The Grant Participation Agreement was signed and accepted on December 21, 2001 along with a required 10% surcharge (\$23,730.70).

Arizona Commission on the Arts

\$4,000

Parks and Recreation staff has submitted a request to the Arizona Commission on the Arts for project support funding as part of the Commission's annual grant cycle. These grant funds will help support spring concerts in the park. The annual "Concert in the Park" series will be held every Sunday during the month of March as a means to bring culturally diverse entertainment to Fountain Hills' residents. Notification of the grant awards will be made public after July 1, 2002.



Fire Department

Federal Emergency Management Agency (FEMA) \$83,000

The Town of Fountain Hills has been awarded a federal grant in the amount of \$83,000 to purchase self-contained breathing apparatus (SCBA's) and specialized turnout gear for wild land firefighting. The SCBA's will provide the firefighters additional protection with filtered, compressed air when they are involved in a situation with heavy smoke, toxic chemicals, etc. The protective wild land firefighting gear is used while fighting brush and wild fires. The additional equipment will bring the town up to NFPA (National Firefighter Protection Association) standards.

There is a possibility that the Fire Department could receive an additional \$44,700 to purchase eight new portable radios that would be compatible with the Town Marshal and Maricopa County Sheriff's Office. If awarded, the \$44,700 would be taken out of the \$500,000 miscellaneous grant requests.

Administration Department

Regional Public Transportation Authority (RPTA) \$75,000

Fountain Hills, as part of the comprehensive Red Cross STS (Special Transportation Services) Program, provides transportation services to low income, elderly, and disabled citizens. The STS provides "shuttle service" in Fountain Hills to citizens that connect to the Valley Metro Transit System at the Mayo Clinic bus stop. Funding for this program previously came out of the Administration Department of the General Fund. This budget proposes to utilize the RPTA grant funds to pay for the Red Cross shuttle. These funds will also be used to subsidize the Town's "Transfare" program that will provide subsidized taxi transportation to senior citizens.

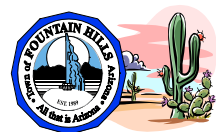
Miscellaneous Grants

Fiscal Year 2002-2003 \$750,000

The Town budgeted an allocation of \$750,000 for miscellaneous grants that may be awarded during this fiscal year.



Debt Service





Debt Service

The Debt Service Fund provides for the payment of interest, principal and related costs on General Obligation (GO) Bonds, Highway User Revenue Fund bonds and Municipal Property Corporation (MPC) Revenue bonds. There are three General Obligation bond issues that have been voter-approved. The first GO bond issue was used to pave the roads that were unfinished at the time of incorporation. Two other GO bond issues were used for land preservation and the latest was used to construct the Fountain Hills Library/Museum. Total General Obligation bond principal and interest payments are \$1,390,000 and will be paid through a levy on Town property. Page 151 of the Schedules/Summaries section itemizes the outstanding debt as of June 30, 2002.

The HURF Bond principal and interest payment is \$126,000 for fiscal year 2002-2003 and will be paid from HURF revenues received during the year. The Cottonwoods Improvement District and Eagle Mountain CFD debt payments are levied on the property owners within those districts. These obligations are paid by the Fountain Hills property owners using secondary property taxes, less any credits, carry-forward and/or interest earnings. The Municipal Property Corporation debt service is included as expenditures in the Excise Sales Tax Fund and the Development Fee Fund. Below is the schedule of debt service payments required for fiscal year 2002-2003.

ISSUE	PRINCIPAL	INTEREST	TOTAL
Street Paving - GO	\$235,000	\$119,000	\$354,000
Lakeside - GO	\$75,000	\$62,500	\$137,500
Mountain Preserve - GO	\$225,000	\$288,500	\$513,500
Library/Museum - GO	\$200,000	\$185,000	\$385,000
Street Paving - HURF Revenue	\$90,000	\$36,000	\$126,000
Cottonwoods ID	\$3,200	\$1,200	\$4,400
Civic Center/MPC	\$150,000	\$230,000	\$380,000
Land Preservation MPC	\$275,000	\$330,000	\$605,000
Eagle Mountain CFD	\$140,000	\$313,350	\$453,350

The annual property tax levy is based on the total amount required for the payment (with adjustments for carry-forward, delinquencies, etc.) divided by the total assessed valuation for the Town of Fountain Hills. The Town's secondary assessed property valuation is \$270,602,866 for the upcoming year and the estimated levy is \$0.4458 per \$100 of assessed value.



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Schedule of Fountain Hills Assessed Valuation 1995 – 2002

Tax Year	Primary (Limited) Valuation	% Change	Secondary Valuation	% Change
1995	\$ 94,188,635		\$100,161,566	
1996	\$100,649,833	6.9%	\$103,944,051	3.8%
1997	\$112,285,569	11.6%	\$116,333,406	11.9%
1998	\$133,721,181	19.1%	\$146,943,730	26.3%
1999	\$160,963,931	20.4%	\$174,760,640	18.9%
2000	\$190,102,361	18.1%	\$212,415,476	21.5%
2001	\$220,229,137	15.8%	\$238,714,537	12.4%
2002	\$247,151,729	12.2%	\$270,602,866	13.4%



TOWN OF FOUNTAIN HILLS

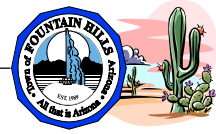
Summary of Tax Levy and Tax Rate Information

Fiscal Year 2002 - 2003

	<u>2001-2002</u> <u>FISCAL YEAR</u>	<u>2002-2003</u> <u>FISCAL YEAR</u>
1. Maximum allowable primary property tax levy (A.R.S. 42-301.A)	<u>\$0</u>	<u>\$0</u>
2. Amount received from primary property taxation in the 2000-2001 fiscal year in excess of the sum of that year's maximum allowable primary property tax levy (A.R.S. 42-17102(A)(18).	<u>\$0</u>	
3. Property tax levy amounts		
A. Primary property taxes	<u>\$0</u>	<u>\$0</u>
B. Secondary property taxes	<u>\$1,379,000</u>	<u>\$1,206,350</u>
C. Total property tax levy amounts	<u>\$1,379,000</u>	<u>\$1,206,350</u>
4. Property taxes collected*		
A. Primary property taxes		
(1) 2001-2002 levy	<u>\$0</u>	
(2) Prior years' levies	<u>\$0</u>	
(3) Total primary property taxes	<u>\$0</u>	
B. Secondary property taxes		
(1) 2001-2002 levy	<u>\$1,516,700</u>	
(2) Prior year's levies	<u>\$0</u>	
(3) Total secondary property taxes	<u>\$1,516,700</u>	
C. Total property taxes collected	<u>\$1,516,700</u>	
5. Property tax rates		
A. Town tax rate		
(1) Primary property tax rate	<u>\$0</u>	<u>\$0</u>
(2) Secondary property tax rate	<u>\$0.5600</u>	<u>\$0.4458</u>
(3) Total city/town tax rate	<u>\$0.5600</u>	<u>\$0.4458</u>
B. Special assessment district rates		

Secondary property tax rates - As of the date the proposed budget was prepared, the town was operating two (2) special assessment districts for which secondary property taxes are levied. For information pertaining to these special assessment districts and their tax rates, please contact the Town of Fountain Hills Accounting Department.

*Includes actual property taxes collected as of the date the proposed budget was prepared plus estimated property tax collections for the remainder of the fiscal year


Schedule of Outstanding Debt (as of June 30, 2002)

<u>Bond Type</u>	<u>Purpose of Issue</u>	<u>Date of Bond Issue</u>	<u>Interest Rate</u>	<u>Date of Maturity</u>	<u>Original Principal Amount</u>	<u>Principal Amount Retired</u>	<u>Outstanding Principal</u>
GO	Street Paving	5/1/1991	7	7/1/2010	\$3,530,000	\$1,075,000	\$0
GO	Refunding	11/1/1995	5.3	7/1/2010	\$2,455,000	\$0	\$2,455,000
GO	Library/Museum	6/1/2000	5.5	7/1/2014	\$3,700,000	\$150,000	\$3,550,000
GO	Land Acq-Lake	8/1/1999	5.1	7/1/2014	\$1,400,000	\$125,000	\$1,275,000
GO	Mtn. Preserve				\$6,000,000	\$0	\$6,000,000
Rev	Street Paving	5/1/1991	7.5	7/1/2010	\$1,200,000	\$200,000	\$0
Rev	Refunding	8/1/1998	4.63	7/1/2010	\$1,075,000	\$170,000	\$905,000
Rev	Comm. Center	7/1/2000	5.4	7/1/2020	\$4,680,000	\$150,000	\$4,530,000
Rev	Mtn. Preserve				\$7,700,000	\$0	\$7,700,000
SA	Eagle Mtn-A	6/1/1996	6.5	7/1/2021	\$4,435,000	\$0	\$4,435,000
SA	Eagle Mtn-B	6/1/1996	7.25	7/1/2021	\$470,000	\$0	\$470,000
SA	Improvments	6/16/1999	5.25	7/1/2009	\$32,276	\$6,456	\$25,820

GO - General Obligation

Rev - Revenue Bonds

SA - Special Assessment



Computation of Legal Debt Margin - Fiscal Year 2002-2003

The Arizona Constitution provides that the general obligation bonded indebtedness for a municipality for general municipal purposes may not exceed six percent (6%) of the secondary assessed valuation of the taxable property in that city or town. In addition to the six percent limitation for general municipal purpose bonds, municipalities may issue general obligation bonds up to an additional twenty percent (20%) of the secondary assessed valuation for supplying water, artificial light, or sewers, and for the acquisition and development of land for open space preserves, parks, playgrounds and recreational facilities.

<u>General Municipal Purpose Bonds</u>		<u>Water, Light, Sewer, Open Space and Park Bonds</u>	
Net Assessed Value	\$270,602,866		\$270,602,866
6% Limitation	\$16,236,172	20% Limitation	\$54,120,573
Less Bonds Outstanding	<u>(\$6,005,000)</u>		<u>(\$7,275,000)</u>
Unused Borrowing Capacity	\$10,231,172		\$46,845,573



TOWN OF FOUNTAIN HILLS 2002-03 GENERAL FUND EXPENDITURE SUMMARY

Department	Salaries & Benefits	Contract Services	Repairs & Maintenance	Supplies & Services	Capital Outlay	Total	%
Community Center	\$329,804	\$85,000	\$10,500	\$115,400	\$120,000	\$660,704	4.7%
Mayor and Town Council	\$39,460	\$0	\$0	\$22,700	\$0	\$62,160	0.4%
Magistrate Court	\$304,920	\$7,000	\$1,200	\$14,350	\$0	\$327,470	2.3%
Administration	\$1,080,700	\$842,500	\$119,000	\$961,200	\$0	\$3,003,400	21.4%
Information Technology	\$0	\$33,000	\$53,255	\$98,300	\$0	\$184,555	1.3%
Building Safety	\$454,600	\$25,000	\$2,500	\$19,600	\$0	\$501,700	3.6%
Engineering	\$716,100	\$36,000	\$355,500	\$97,600	\$0	\$1,205,200	8.6%
Public Works	\$0	\$0	\$0	\$0	\$0	\$0	0.0%
Community Development	\$376,010	\$5,000	\$500	\$28,000	\$0	\$409,510	2.9%
Parks & Recreation	\$733,040	\$217,000	\$324,000	\$284,430	\$0	\$1,558,470	11.1%
Marshal Department	\$983,100	\$1,509,700	\$29,500	\$82,080	\$54,000	\$2,658,380	18.9%
Fire Department	\$0	\$2,275,700	\$38,570	\$42,000	\$5,000	\$2,361,270	
Department Totals	<u>\$5,017,734</u>	<u>\$5,035,900</u>	<u>\$934,525</u>	<u>\$1,765,660</u>	<u>\$179,000</u>	<u>\$12,932,819</u>	75.2%
Transfers Out						\$1,075,000	7.6%
Reserves						<u>\$50,000</u>	0.4%
GENERAL FUND TOTALS	\$5,017,734	\$5,035,900	\$934,525	\$1,765,660	\$179,000	\$14,057,819	83.2%



Schedule of Authorized Positions

Position – Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Proposed FTE
Court			
Magistrate Judge	1.00	1.00	1.00
Court Administrator	1.00	1.00	1.00
Court Collection Specialist	1.00	1.00	1.00
Court Services Specialist	2.50	3.00	3.00
Authorized FTE	5.50	6.00	6.00
Administration			
Town Manager	1.00	1.00	1.00
Undesignated Position	0	1.00	2.00
Director of Administration/Town Clerk	1.00	1.00	1.00
Supervisor/Accounting	1.00	1.00	1.00
Information Technology Administrator	1.00	1.00	1.00
Information Technology Intern	0.50	0.50	0.50
Accountant	1.00	1.00	0
Accounting/H.R.Clerk	0.50	0.50	1.00
Administrative Intern	0.50	0.50	1.00
Assistant to Town Manager/Mayor/Council	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00
Human Resources Administrator	1.00	1.00	1.00
Information Technology Support Specialist	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Facilities Operations Supervisor	1.00	1.00	1.00
Maintenance/Custodial Worker	1.00	1.00	1.00
Custodian	1.00	2.50	2.00
Clerk Typist/Receptionist	1.00	1.00	1.00
Authorized FTE	15.50	18.00	18.00
Building Safety			
Chief Building Official	1.00	1.00	1.00
Plans Examiner	1.00	2.00	2.00
Building Inspector	2.00	1.00	1.00
Building Permit Technician	2.00	2.00	2.00
Senior Building Inspector	2.00	2.00	2.00
Building Safety Clerk	1.00	1.00	0
Authorized FTE	9.00	9.00	8.00



Schedule of Authorized Positions

Position – Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Proposed FTE
Public Works			
Director of Public Works	1.00	1.00	1.00
Town Engineer	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00
Civil Engineer	1.00	1.00	1.00
Engineering Technician/CAD Operator	1.00	1.00	1.00
Civil Engineering Inspector	2.00	2.00	2.00
Drafting/CAD Technician	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Open Space & Landscape Supervisor	1.00	1.00	0
Open Space & Landscape Specialist	1.00	1.00	1.00
Traffic Engineering Analyst	1.00	1.00	0
Authorized FTE	13.00	13.00	11.00
Street Department			
Superintendent of Streets	1.00	1.00	1.00
Supervisor of Street Maintenance	1.00	1.00	0
Fleet Master Mechanic	1.00	1.00	1.00
Fleet Equipment Mechanic	1.00	1.00	1.00
Maintenance	9.00	9.00	9.00
Equipment Operator	2.00	2.00	2.00
Authorized FTE	15.00	15.00	14.00
Community Development			
Director of Community Development	1.00	1.00	1.00
Senior Planner	1.00	2.00	2.00
Planner	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00
Administrative Assistant	0	.50	1.00
Authorized FTE	4.00	5.50	6.00

**Schedule of Authorized Positions**

Position – Title	2000-2001 Authorized FTE	2001-2002 Authorized FTE	2002-2003 Proposed FTE
Parks & Recreation			
Director of Parks & Recreation	1.00	1.00	1.00
Park Supervisor	1.00	1.00	1.00
Recreation Supervisor	1.00	1.00	1.00
Recreation Program Coordinator	3.00	3.00	3.00
Parks Worker	2.00	1.00	1.00
Parks Intern	0.50	0.50	0
Recreation Intern	1.00	1.00	0
Parks Operation Supervisor	3.00	3.00	3.00
Recreation Assistant	5.00	4.00	4.00
Executive Assistant	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00
Authorized FTE	19.50	17.50	16.00
Marshal Department			
Director of Public Safety/Town Marshal	1.00	1.00	1.00
Sergeant	4.00	4.00	3.00
Deputy Marshal	14.00	14.00	8.00
Dispatcher	6.00	7.00	7.00
Administrative Assistant	0	0	1.00
Authorized FTE	25.00	26.00	20.00
Community Center			
Director	1.00	1.00	1.00
Events/Marketing Coordinator	0	1.00	1.00
Operations Supervisor	0	1.00	1.00
Administrative Assistant	0	0.50	1.00
Operations Worker	0	1.00	1.00
Custodian	0	0	1.00
Volunteer Coordinator	0	0.50	0.50
Authorized FTE	1.00	5.00	6.50



DEVELOPMENT FEE EXPENDITURES

In November, 2000 the Town Council of Fountain Hills passed Ordinance 00-21 to establish and impose development fees on new residential permits to offset the costs associated with growth. The Development Fee Accounts are restricted and may only be spent for the particular public facility for which they were imposed. Each year during the budget process the Town of Fountain Hills shall identify the projects anticipated to be funded in whole or in part with development fees. For fiscal year 2002-2003, the following schedule was presented for Council consideration and itemizes the proposed development fee expenditures based on available balance in each account as of June 30, 2003.

	Marshal	Street	Parks	Open Space	General Government	TOTALS
Balance 6/3/2001	\$960	\$13,742	\$33,900	\$37,740	\$13,980	\$100,322
FY 2001-2002 Revenues	\$13,600	\$166,000	\$196,100	\$201,200	\$200,900	\$777,800
FY 2001-2002 Expenditures ¹	\$0	\$0	(\$80,950)	\$0	(\$185,500)	(\$266,450)
FY 2002-2003 Revenues	\$8,510	\$84,235	\$292,650	\$367,790	\$123,030	\$876,215
FY 2002-2003 Expenditures ²	(\$21,660)	(\$245,835)	\$0	(\$15,000)	(\$137,300)	(\$419,795)
FY 2002-2003 Ending Bal.	\$1,410	\$18,142	\$441,700	\$591,730	\$15,110	\$1,068,092

¹Fiscal Year 2001-2002, Contingent upon approval by Town Council

Parks: Reimburse the General Fund for \$55,000 paid to Fountain Hills School District as part of the Four Peaks Park playground construction project; \$2,223 for Desert Vista Neighborhood Park for pet drinking fountain; \$23,731 paid to Arizona State Heritage Fund for 10% surcharge for Phase II at Fountain Park.

General Government: Reimburse the General Fund for principal and interest payment on debt for new Community Center (\$185,500). The Community Center was included in the calculation of the impact fee for General Government and therefore is an appropriate use of Development Fee funds.



²Fiscal Year 2002-2003, contingent upon approval by Town Council

Marshal: Capital Outlay purchase of portable radios

Street: Major road improvements: design and install traffic signal at El Lago and Fountain Hills Boulevards.

Open Space: Trailhead Study/Design for preservation land.

General Government: Reimburse the General Fund for proportionate share of costs of municipal office space.



Miscellaneous Statistics (as of June 30, 2001)

Date of Incorporation	December 5, 1989
Form of Government	Council - Manager
Number of employees (FTE)	91
Population (2000 U.S. Census)	20,235
Area in Square Miles	18.27 square miles
Miles of Streets	180.5
Housing Units	11,406

Culture and Recreation

Community Centers	1
Parks	4
Off Leash Recreational Facility	1
Ramadas	6
Park Acreage	121
Tennis Courts	6
Ball Fields	6
Basketball Courts	4
Senior Center	1
Soccer Field	1

Fire Protection

Number of stations	2
Number of fire personnel and officers	42
Number of calls answered yearly	3,000
Number of inspections conducted yearly	2,395

Facilities and Services not included in the reporting entity

Police Protection (Contracted with County)

Number of stations (substation)	1
Number of police personnel and officers	23
Number of patrol units	9

Sewerage System

Miles of sanitary sewers	182
Number of treatment plants	2
Number of service connections	10,809
Daily average treatment in gallons	1.67 mgd
Maximum daily capacity of treatment plant in gallons	2,600,000 mgd

Water System

Miles of water mains	178
Number of service connections	11,448
Number of fire hydrants	1,217
Daily average consumption in gallons	4.4 mgd
Maximum daily capacity of plant in gallons	11,570,000

Education

Number of elementary schools	3
Number of secondary schools	1



Glossary —————

Accrual Basis

A basis of accounting in which transactions are recognized at the time they are incurred, as opposed to when cash is received or sent.

Actual vs. Budgeted

Difference between the amounts projected (budgeted) in revenues or expenditures at the beginning of the fiscal year and the actual receipts or expenses, which are incurred by the end of the fiscal year.

Adoption

Formal action by the Town Council, which sets the spending limits for the fiscal years.

Appropriation

Specific amount of monies authorized by the Council for the purpose of incurring obligations and acquiring goods and services.

Assessed Valuation

A value set upon real and personal property by the County Assessor for the purpose of levying property taxes.

Base Budget

The ongoing expense for personnel, contractual services, commodities, and the replacement of equipment to maintain service levels previously established by the Council.

Bond

A municipality will issue this debt instrument and agree to repay the face amount of the bond on the designated maturity date. Bonds are primarily used to finance capital projects.

- **General Obligation (GO) Bond**

This type of bond is secured by the full faith, credit, and taxing power of the municipality.

- **Revenue Bond**

This type of bond is secured by the revenues from a specific source such as gas taxes or water revenues.

Budget

Financial plan of estimated expenditures and anticipated resources adopted for a specific period of time outlining a plan for achieving council goals and objectives.

Capital Budget

The appropriation of bonds or operating revenue for improvements to city facilities that may include buildings, streets, and parks.

Carry Over

Year-end savings that can be carried forward to cover any one-time expenses such as supplies, equipment, or special contracts.



Contingency/Reserve

An amount set aside as available, with Council approval, to cover unforeseen expenditures, emergency expenditures, or revenue short falls.

Debt Ratio

Total debt divided by total assets.

Debt Service

Principal and interest payments on outstanding bonds.

Estimated Revenue

The amount of projected revenue to be collected during the fiscal year.

Expenditure

Represents a decrease in fund resources.

Expenditure Limitation

An amendment to the Arizona State Constitution that limits annual expenditures of all municipalities. The Economic Estimates Commission, based on population growth and inflation sets the limit. All municipalities have the option of Home Rule where the voters approve a four-year expenditure limit based on revenues received.

Fiscal Year

Any period of twelve consecutive months establishing the beginning and the ending of financial transactions. For the Town of Fountain Hills, this period begins July 1 and ends June 30.

Full-Time Equivalent Position (FTE)

A position converted to the decimal equivalent of a full-time position based on 2,080 hours per year. For example, a part-time typist working for 20 hours per week would be equivalent to a 0.5 FTE.

Fund

A fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources.

Fund Balance

A balance or carry over that occurs when actual revenues exceed budgeted revenues and/or when actual expenditures are less than budgeted expenditures.

General Fund

The fund used to measure all financial transactions of the municipality except those required by law or agreement to be accounted for in another fund.

Highway Users Revenue Bond

Proceeds used solely for street and highway purposes and require voter authorization. Bonds are payable from highway user revenue up to 50% of total received for the past twelve month period (stipulated by state law).

**Highway Users Revenue Fund (HURF)**

This revenue source consists of state taxes collected on gasoline, vehicle licenses, and a number of other additional transportation related fees. These funds must be used for street and highway purposes.

Infrastructure

Facilities that support the continuance and growth of a community. Examples include roads, water lines, sewers, public buildings, and parks.

Intergovernmental Revenue

Federal and State grants and other forms of revenue (e.g. State Sales Tax, State Income Tax, gasoline tax, motor vehicle license).

Long Term Debt

Debt with a maturity of more than one year after date of issuance.

Management Indicators

A measurable means of evaluating impact of budget on achieving stated objectives.

Municipal Property Corporation (MPC) Bond

Bonds that are backed by the excise taxes of the Town including Local Sales Tax, Franchise Tax, State Shared Sales Tax, and Auto Lieu Tax. The MPC is a non-profit corporation established for the purpose of issuing debt to purchase municipal facilities, which it leases to the Town.

Objectives

A measurable output that an organization strives to achieve within a designated time frame. The achievement of the objective advances an organization toward a corresponding goal.

Operating Budget

Day-to-day costs of delivering city services.

Performance Indicators

Measurement of service performance indicators that reflect amount of money spent on services and the resulting outcomes at a specific level of services provided.

Property Tax

The total property tax levied by a municipality. Arizona's municipal property tax system is divided into a primary and secondary rate.

Primary Tax

Arizona statute limits the primary property tax levy amount and municipalities may use this tax for any purpose.

Secondary Rate

Arizona statute does not limit the secondary tax levy amount and municipalities may only use this levy to retire the principal and interest or redemption charges on bond debt.



Resources

Total amounts available for appropriation including estimated revenues, bond/loan proceeds, fund transfers and beginning fund balances.

Revenue

Financial resources received from taxes, user charges and other levels of government.

State-Shared Revenue

Includes the Town's portion of state sales tax revenues, state income tax receipts, motor vehicle in-lieu taxes.

Tax Levy

The total amount of the general property taxes collected for purposes specified in the Tax Levy Ordinance.

Tax Rate

The amount of tax levied for each \$100 of assessed valuation.

Transfer

Movement of resources between two funds. Example: An interfund transfer would include the transfer of operating resources from the General Fund to the Street Fund.



TOWN OF FOUNTAIN HILLS PROJECTED TRAFFIC SIGNALS MAP

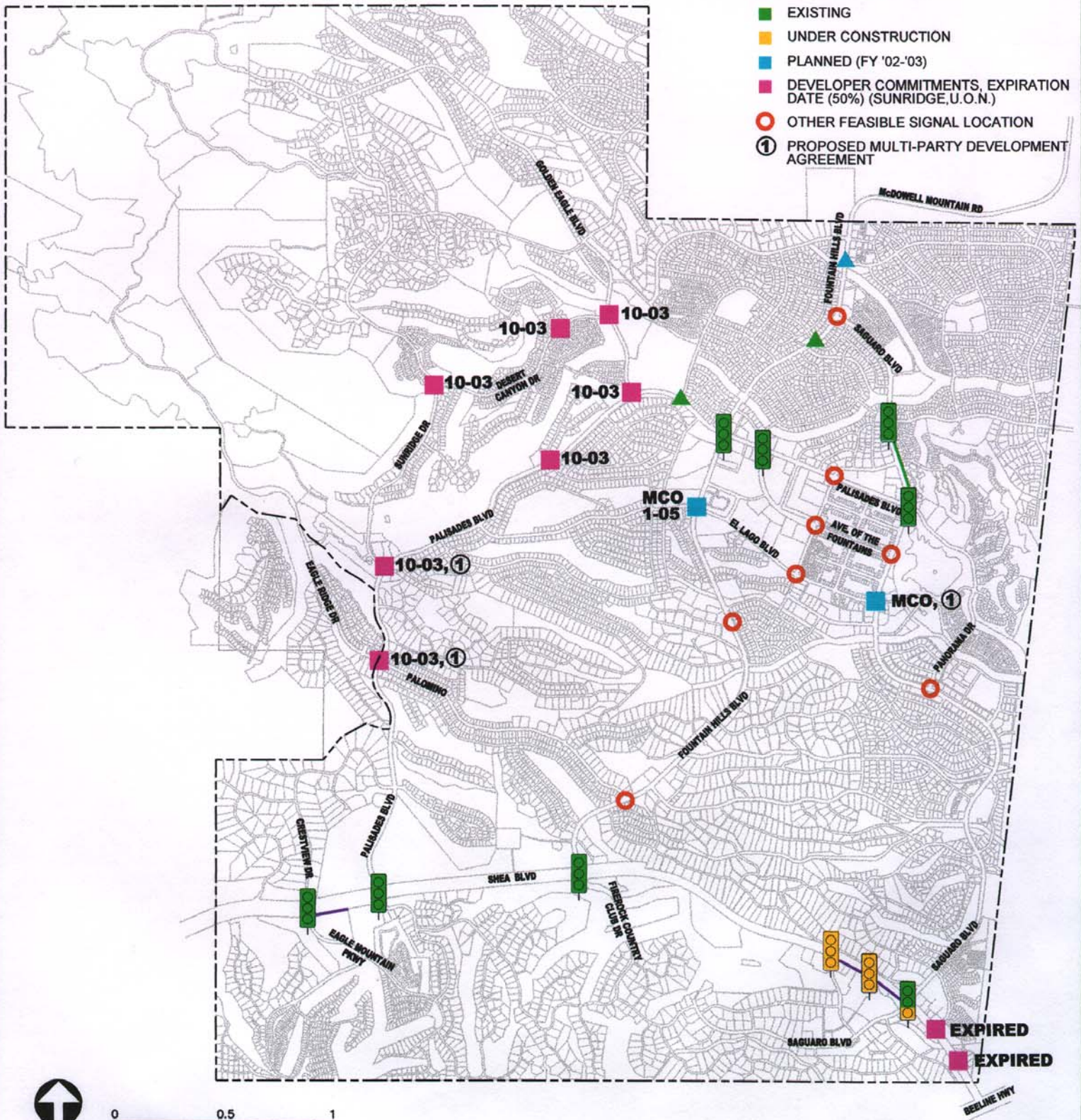
LEGEND

SIGNAL TYPE

- TRAFFIC SIGNAL
- PEDESTRIAN FLASHERS
- INTERCONNECT CONDUIT

SIGNAL STATUS

- EXISTING
- UNDER CONSTRUCTION
- PLANNED (FY '02-'03)
- DEVELOPER COMMITMENTS, EXPIRATION DATE (50%) (SUNRIDGE, U.O.N.)
- OTHER FEASIBLE SIGNAL LOCATION
- ① PROPOSED MULTI-PARTY DEVELOPMENT AGREEMENT



EXPIRED
EXPIRED



0 0.5 1
SCALE OF MILES






SCALE IN FEET: 1"=3400'

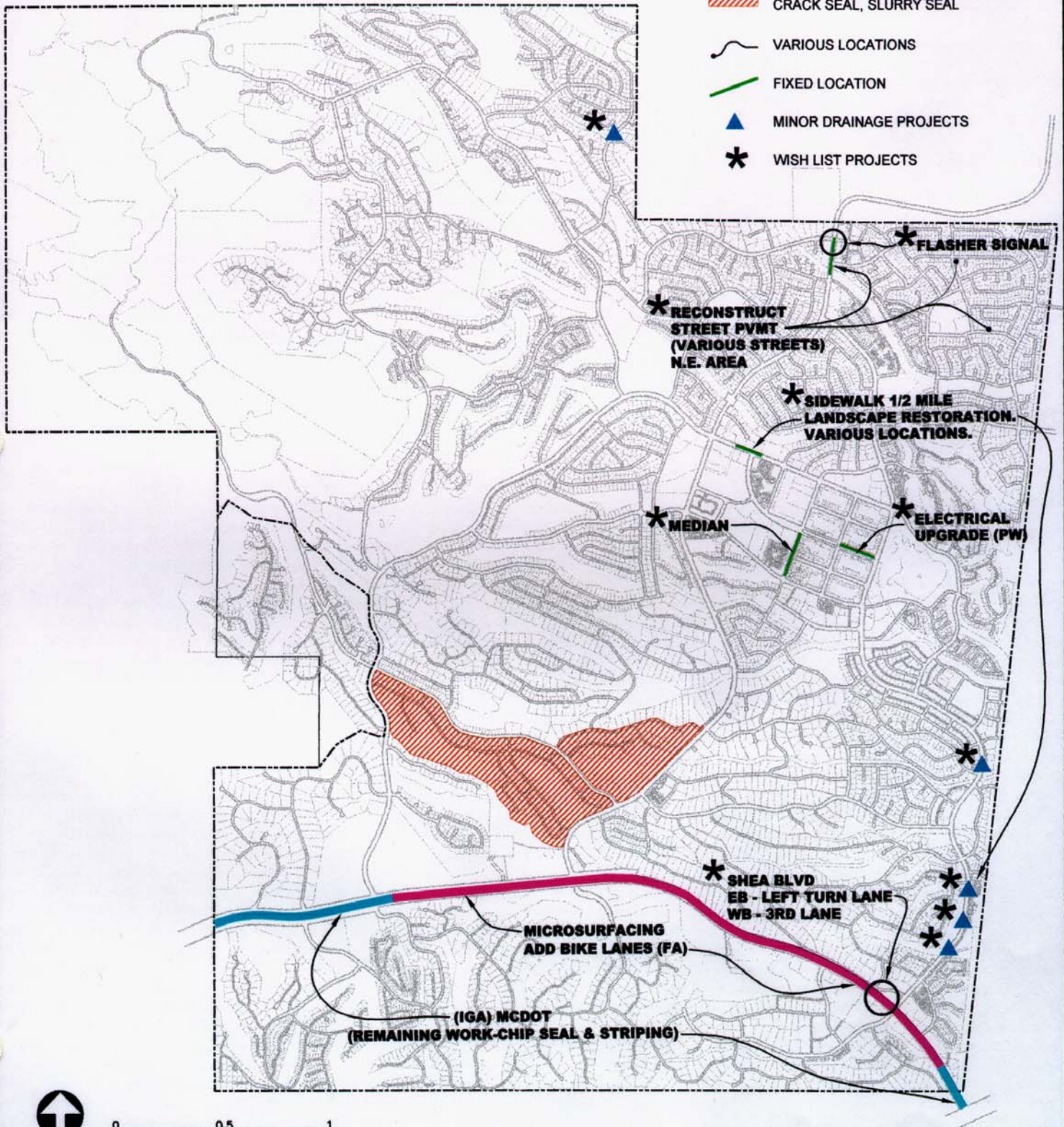
REVISED: MAY 29, 2002



TOWN OF FOUNTAIN HILLS STREET/DRAINAGE MAJOR PROJECTS FY '02 TO '03

LEGEND

-  PAVEMENT MAINTENANCE WORK AREA
CRACK SEAL, SLURRY SEAL
-  VARIOUS LOCATIONS
-  FIXED LOCATION
-  MINOR DRAINAGE PROJECTS
-  WISH LIST PROJECTS



0 0.5 1
SCALE OF MILES

SCALE IN FEET: 1"=3400'

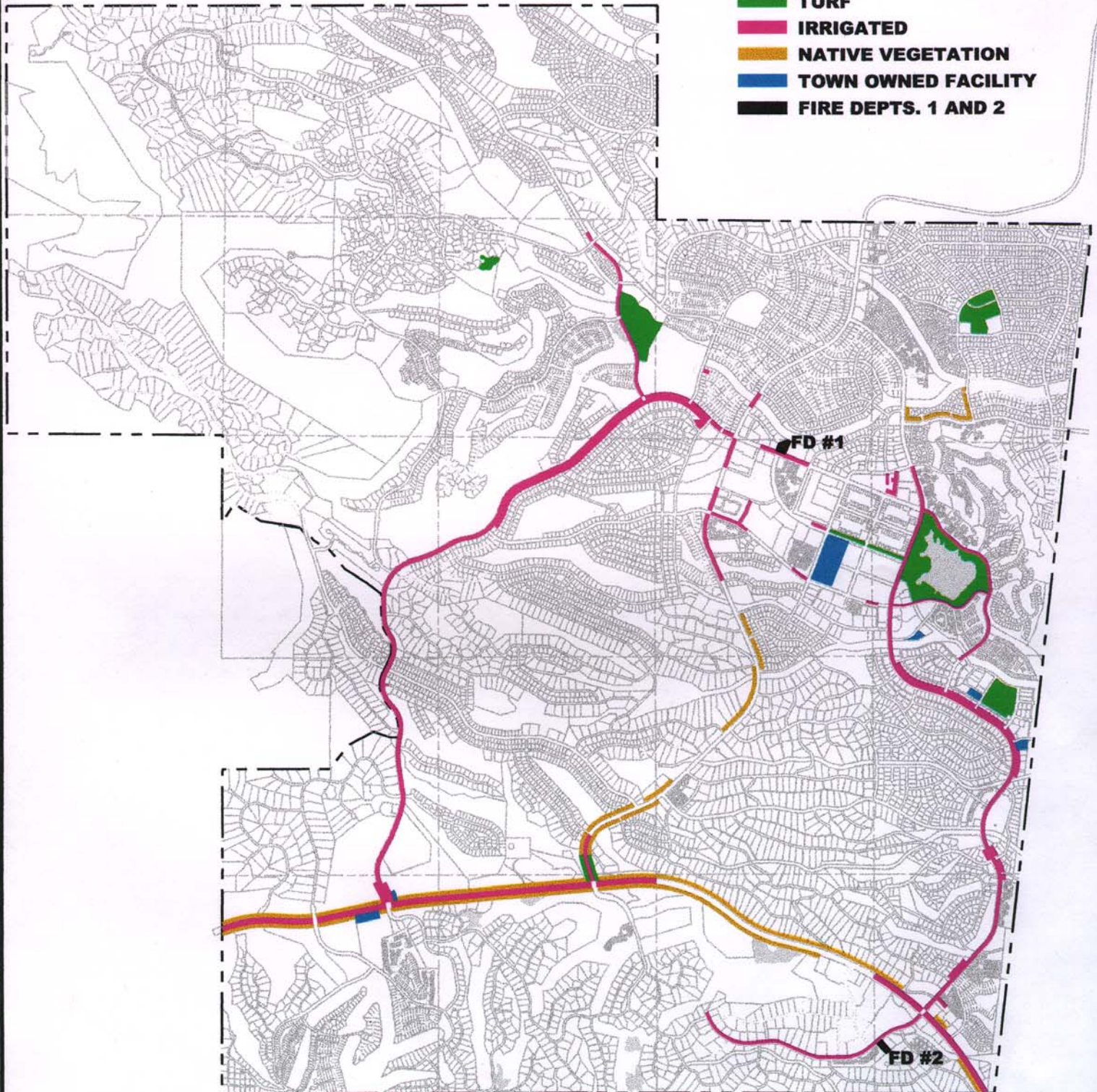
REVISED: MAY 31, 2002



TOWN OF FOUNTAIN HILLS LANDSCAPE MAINTENANCE CONTRACT

LEGEND

- TURF
- IRRIGATED
- NATIVE VEGETATION
- TOWN OWNED FACILITY
- FIRE DEPTS. 1 AND 2



0 0.5 1
SCALE OF MILES

SCALE IN FEET: 1"=3500'

REVISED: MAY 29, 2002

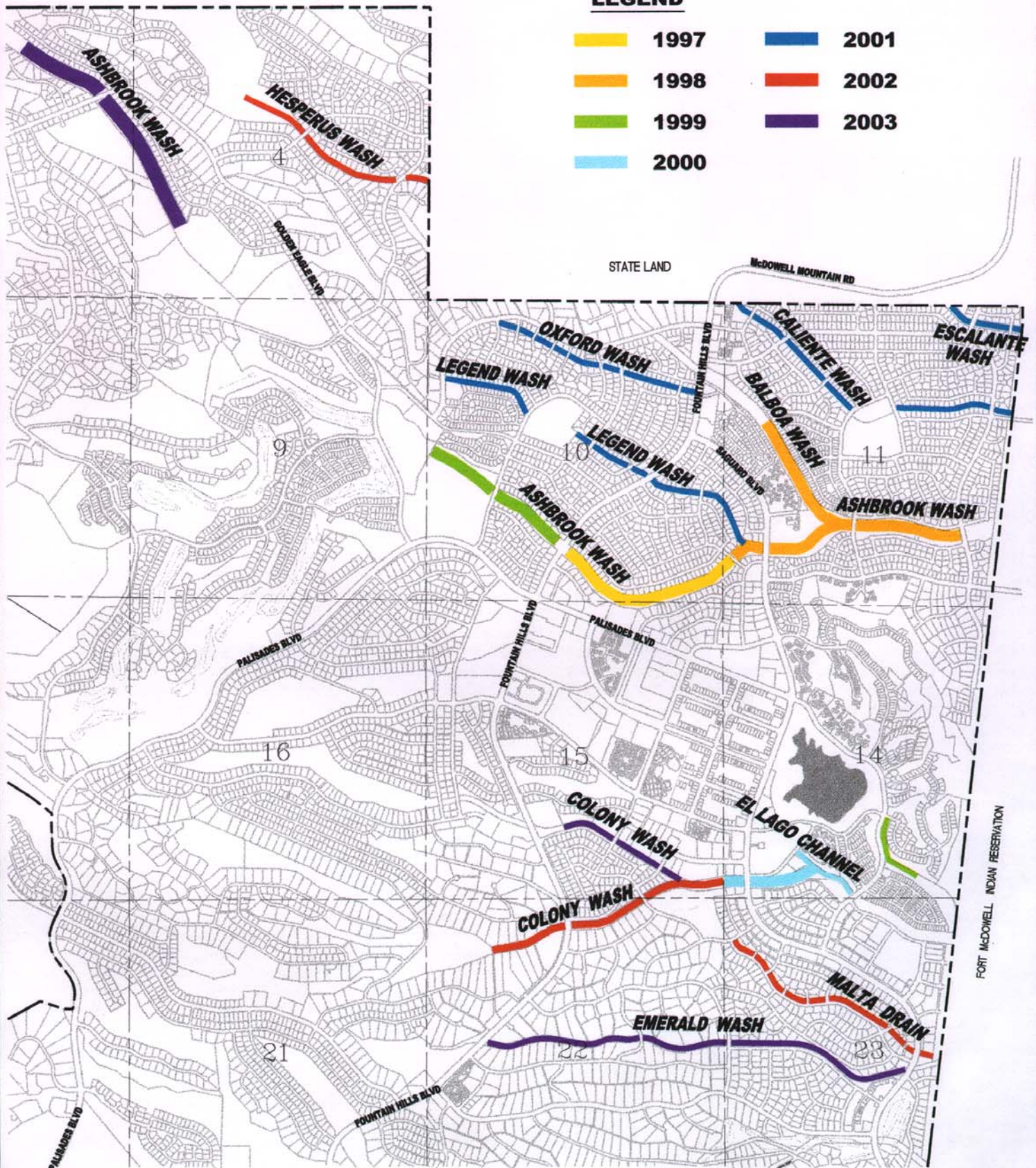


TOWN OF FOUNTAIN HILLS WASH MANAGEMENT PROGRAM

MC DOWELL MOUNTAIN PARK

LEGEND

	1997		2001
	1998		2002
	1999		2003
	2000		



0 0.5 1
SCALE OF MILES

SCALE IN FEET: 1"=2500'

PREPARED: MAY 29, 2002